

Hi Elaine Gardner,

Thank you for your help, and email, I have addressed those deficiencies in the petition, and redacted personally identifiable information (e.g. Social Security Numbers).

I met with my CPA and he has giving me the needed information (which was in the IRS tax returns already submitted), please see the information below.

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Here is my stand-alone statement of all income (cash receipts) and all expenses for Gray Publishing for each of the two most recent completed calendar or fiscal years.

Income 2014 \$88,051  
Expenses 2014 \$56,953

Income 2015 \$47,406  
Expenses 2015 \$37,058

And here are all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar or fiscal years.

Cash 2014 \$8,251  
Liabilities 2014 \$5,429

Cash 2015 \$6,717  
Liabilities 2015 \$24,849

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Chin'an (Thank You)



Paul Gray  
(907) 953-9289  
[paul@exploringalaska.com](mailto:paul@exploringalaska.com)  
[www.exploringalaska.com](http://www.exploringalaska.com)



## Required Information and Documentation to Provide in Filing a New Petition to be Exempt from the Television Closed Captioning Requirements

To support a claim that providing closed captions would be economically burdensome, a petitioner must file a petition with the Federal Communications Commission (FCC) containing the following required information and documentation:

- Name of the programming for which an exemption is requested. Provide the specific name of each program for which you request an exemption. Petitions that request an exemption for an entire channel of video programming must identify the channel for which an exemption is requested.

### **Exploring Alaska Native Voices (Show)**

- The nature and cost of the closed captions for the programming. Provide information about your organization's costs associated with closed captioning each specific program for which you are requesting an exemption, and your efforts to find companies that can provide captioning at a reasonable cost.

**The cost of CC is above our ability to cover, I have searched on the internet and called several company to get quotes.**

o Include documentation for two or more recent quotes you received from closed captioning services to provide closed captioning specifically for your program(s). "Recent" means a quote you obtained within one year of the date of your petition.

**See next 2 pages.**

Hello Paul,

It was a pleasure speaking with you!

Video Caption Corporation would be delighted to assist you with the Closed Captioning of your weekly 30-minute English language programs. As I understand it, you would provide your video masters to us as digital files via our high speed Media Shuttle. Our deliverables to you would be FCC Compliant Caption-embedded Files (Pop-On Style Captions) transcoded to the supplied station specifications.

Pricing: \$250

Price includes transcription, FCC Compliant captioning (Pop-on Style Captions with off-screen speaker ID and onscreen speaker ID when multiple speakers are onscreen, description of music and sound effects), Transcoding the video to supplied specifications, Caption-Embedding, file prep and file output to the station. Our standard turnaround for your program would be 3 business days. Faster turnarounds are available at additional charge.

Please let me know if you have any questions. I'll be in touch soon to follow up.

Best Regards,

**Nathaniel Baden**  
**Customer Service and Sales**



**New York | Burbank**

800-705-1203 (phone)  
800-705-1207 (fax)  
[nrbaden@vicaps.com](mailto:nrbaden@vicaps.com)  
[www.vicaps.com](http://www.vicaps.com)



## Project

Quote Name	Exploring Alaska Native Voices	Date	1/12/2017
Quote Number	QUO-12578-Z6X1S1	Quote Expires	2/11/2017

## Customer

Account Name	Exploring Alaska Native Voices	Prepared By	Carrie Spanier
Contact Name	Paul Gray	Phone	818.295.6379
Phone	907-953-9289	E-mail	carriespanier@captionmax.com
Email	aknativevoices@icloud.com		

## Notes

:30 minute- captions- .srt  
insert into video

3-5 day turn

## Services

Service	Notes	Price	Discount	Quantity	Total Price
Captioning for a half-hour episode		\$250.00	\$0.00	15.00	\$3,750.00
Insertion of CC into video file, per video		\$75.00	\$0.00	15.00	\$1,125.00

**Grand Total****\$4,875.00**

Additional fees may apply for additional services  
or changes in project scope.

o For each of these quotes, include an estimate of your annual cost to caption your program(s). For example, multiply the cost to caption each of your program episodes by the number of program episodes you expect to produce and shown in one year.

**First quote at \$250.00 per episode, producing 15 new shows a year would cost \$3,750 per year. Second quote at \$250.00 per episode plus \$75.00 per episode to insert closed captioning for a total of \$4,875.00 per year.**

o In addition to providing the quotes described above, if you have considered buying equipment to produce the closed captioning yourself, provide information about the costs to purchase and maintain the equipment and for any costs associated with hiring personnel to operate the equipment for one year.

**Subject:** cc

**Date:** January 11, 2017 at 12:59:30 PM AKST

**To:** Paul Gray <[aknativevoices@icloud.com](mailto:aknativevoices@icloud.com)>

On Nov 1, 2016, at 9:48 AM, Ian Foster <[ianf@telestream.net](mailto:ianf@telestream.net)> wrote:

Hi Paul,

Thanks for taking the time to speak to us today!

After review, your workflow will allow you to get by using maccaption desktop- \$1,095.00. If you were not using compressor to encode, you would need the pro edition.

Id like to offer you 5% off, if you are interested in moving forward, let me know and ill send on a code you can use at the time of purchase.

Cheers,

**Ian Foster**

[Inside Sales | Telestream Cloud](#)

phone: +1 (530) 264-7878

email: [ianf@telestream.net](mailto:ianf@telestream.net)

[<image004.png>](#)

[<image001.gif>](#)

[<image002.gif>](#)

[<image003.gif>](#)

**The cost of hiring personal to operate equipment for one year is estimated to be \$1,500.**

- The impact of captioning on your programming activities. Explain in detail the impact that having to provide closed captioning will have on your programming activities. For example, describe the extent to which your program(s) might not continue to be shown if you are required to provide captions.

**The impact of captioning my program is beyond my financial ability and I would have to cease production of my show, a locally produced cultural show about the Alaska native indigenous people.**

- Your financial resources.
  - o Provide information about all income and all expenses for your organization, as follows:
    - Provide a statement of all income (cash receipts) and all expenses for each of the two most recent completed calendar or fiscal years. Cash receipts include money received from all sources for your entire organization, not just the video program(s). Cash expenses include money paid for purchases, expenses, and settlement of obligations throughout the year for your entire organization, not just the video program(s). List, describe, and provide the dollar amount for each type of cash receipt (such as sales, donations, grants, earnings, revenues, dividends, or interest) and for each type of cash expense (such as wages, fees, supplies, rent, mortgage interest, depreciation, or taxes) for the two most recent completed calendar or fiscal years. Cash receipts and cash expenses must each be subtotaled. You must provide a total net dollar amount (sometimes called a surplus or deficit, or profit or loss) for all cash receipts and all cash expenses for each year. Note: In order to meet the requirement of this paragraph, you must provide this information in a stand-alone statement that explicitly lists this information. The submission of documents (such as tax returns, bank statements, or invoices) that may contain some of this information, but which does not explicitly list this information will not satisfy this requirement.
    - Provide audited financial statements or an accountant's review or compilation of financial statements for the two most recent completed calendar or fiscal years. If such statements have not been prepared by or for you or your organization, provide complete federal income tax returns or tax-exempt information returns, including all schedules and attachments, for your organization for the two most recent completed calendar or fiscal years, if such returns were filed. If your organization is a sole proprietorship, provide complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the sole proprietor. If your organization is a Subchapter S corporation, limited liability company (LLC), professional corporation (PC), or partnership, in addition to the organization's tax returns, provide the complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the shareholders or partners. Redact (black out) sensitive information, such as account numbers and social security numbers, before submitting personal tax returns or other documentation. If none of these documents have been prepared by or for you or your organization, you must provide a written statement to that effect.

o Provide information about the current assets and current liabilities of your overall organization, as follows:

- Provide a statement of all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar or fiscal years. Current assets and current liabilities must each be totaled. List, describe, and provide the dollar amount for each type of current asset and current liability so listed. This requirement may be satisfied by providing complete balance sheets that identify current assets and current liabilities as of the last days of the two most recent completed calendar or fiscal years. Balance sheets that do not identify current assets and current liabilities do not satisfy this requirement. If you have no current liabilities, provide a statement to that effect.

- Current assets are any asset (or resource) as of the last day of the calendar or fiscal year that can be converted into cash within the following year.

o Examples of current assets for an individual or sole proprietor: cash; checking accounts; savings accounts; investment accounts including money market accounts; certificates of deposit and bonds that will mature within one year; stocks; and trust/endowment account amounts available for that year.

o Examples of current assets for a corporation: cash; accounts receivable; inventory; marketable securities; and prepaid expenses.

- Current liabilities are obligations (or debts) as of the last day of the calendar or fiscal year that must be paid within the following year.

o Examples of current liabilities for an individual or sole proprietor: any loans (principal and interest) and mortgage payments (principal, interest, taxes, and insurance) due to be paid within one year; the balance of any credit cards as of the last day of the year; and unpaid bills as of the last day of the year (utility bills, and medical bills).

o Examples of current liabilities for a corporation: accounts payable; accrued liabilities; notes payable; current portion of long-term debt; and taxes payable.

**All financial statements are attached\**

Form	<b>1040</b>	Department of the Treasury — Internal Revenue Service (99) <b>U.S. Individual Income Tax Return</b>	<b>2014</b>	OMB No. 1545-0074	IRS Use Only — Do not write or staple in this space.																																										
For the year Jan 1 - Dec 31, 2014, or other tax year beginning		, 2014, ending		, 20																																											
Your first name and initial		Last name		Your social security number																																											
PAUL E GRAY				[REDACTED]																																											
If a joint return, spouse's first name and initial		Last name		Spouse's social security number																																											
NANCY S GRAY				[REDACTED]																																											
Home address (number and street). If you have a P.O. box, see instructions.				Apartment no.																																											
35555 KENAI SPUR HWY, #232																																															
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).				▲ Make sure the SSN(s) above and on line 6c are correct.																																											
SOLDOTNA, AK 99669				<b>Presidential Election Campaign</b> Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse																																											
Foreign country name				Foreign province/state/county Foreign postal code																																											
<b>Filing Status</b>																																															
1 <input type="checkbox"/> Single 2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above & full name here. ▶ 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ 5 <input type="checkbox"/> Qualifying widow(er) with dependent child																																															
<b>Exemptions</b>																																															
6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, <b>do not</b> check box 6a. .... b <input checked="" type="checkbox"/> Spouse .....																																															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">c Dependents:</th> <th style="text-align: center;">(2) Dependent's social security number</th> <th style="text-align: center;">(3) Dependent's relationship to you</th> <th style="text-align: center;">(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax or (see instrs)</th> <th style="text-align: center;">(5) <input type="checkbox"/> if child under age 17 qualifying for dependent exemption</th> </tr> <tr> <th style="text-align: left;">(1) First name</th> <th style="text-align: left;">Last name</th> <th></th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>						c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax or (see instrs)	(5) <input type="checkbox"/> if child under age 17 qualifying for dependent exemption	(1) First name	Last name																																		
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(1) First name	Last name																																														
If more than four dependents, see instructions and check here. ▶ <input type="checkbox"/>																																															
d Total number of exemptions claimed. .... <b>2</b>																																															
<b>Income</b>																																															
7 Wages, salaries, tips, etc. Attach Form(s) W-2. .... <b>7</b>																																															
8a Taxable interest. Attach Schedule B if required. .... <b>8a</b> 14.																																															
b Tax-exempt interest. <b>Do not</b> include on line 8a .... <b>8b</b>																																															
9a Ordinary dividends. Attach Schedule B if required. .... <b>9a</b>																																															
b Qualified dividends .... <b>9b</b>																																															
10 Taxable refunds, credits, or offsets of state and local income taxes. .... <b>10</b>																																															
11 Alimony received. .... <b>11</b>																																															
12 Business income or (loss). Attach Schedule C or C-EZ. .... <b>12</b> 4,055.																																															
13 Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here. .... <b>13</b>																																															
14 Other gains or (losses). Attach Form 4797. .... <b>14</b>																																															
15a IRA distributions. .... <b>15a</b>																																															
b Taxable amount. .... <b>15b</b>																																															
16a Pensions and annuities. .... <b>16a</b>																																															
b Taxable amount. .... <b>16b</b>																																															
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. .... <b>17</b> 35,659.																																															
18 Farm income or (loss). Attach Schedule F. .... <b>18</b>																																															
19 Unemployment compensation. .... <b>19</b>																																															
20a Social security benefits. .... <b>20a</b> 8,567.																																															
b Taxable amount. .... <b>20b</b> 6,183.																																															
21 Other income ALASKA PERMANENT FUND DIVIDENDS .... <b>21</b> 3,768.																																															
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income. .... <b>22</b> 49,679.																																															
<b>Adjusted Gross Income</b>																																															
23 Educator expenses. .... <b>23</b>																																															
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. .... <b>24</b>																																															
25 Health savings account deduction. Attach Form 8889. .... <b>25</b>																																															
26 Moving expenses. Attach Form 3903. .... <b>26</b>																																															
27 Deductible part of self-employment tax. Attach Schedule SE. .... <b>27</b> 287.																																															
28 Self-employed SEP, SIMPLE, and qualified plans. .... <b>28</b>																																															
29 Self-employed health insurance deduction. .... <b>29</b> 1,259.																																															
30 Penalty on early withdrawal of savings. .... <b>30</b>																																															
31a Alimony paid b Recipient's SSN. .... <b>31a</b>																																															
32 IRA deduction. .... <b>32</b>																																															
33 Student loan interest deduction. .... <b>33</b>																																															
34 Tuition and fees. Attach Form 8917. .... <b>34</b>																																															
35 Domestic production activities deduction. Attach Form 8903. .... <b>35</b>																																															
36 Add lines 23 through 35. .... <b>36</b> 1,546.																																															
37 Subtract line 36 from line 22. This is your adjusted gross income. .... <b>37</b> 48,133.																																															



## Tax and Credits

## Standard Deduction for —

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$6,200

Married filing jointly or Qualifying widow(er), \$12,400

Head of household, \$9,100

38	Amount from line 37 (adjusted gross income) .....	38	48,133.
39a	Check <input type="checkbox"/> You were born before January 2, 1950, <input type="checkbox"/> Blind. <input checked="" type="checkbox"/> Spouse was born before January 2, 1950, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a 1		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here. ....	39b	
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin) .....	40	13,600.
41	Subtract line 40 from line 38 .....	41	34,533.
42	Exemptions. If line 38 is \$152,525 or less, multiply \$3,950 by the number on line 6d. Otherwise, see instrs .....	42	7,900.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- .....	43	26,633.
44	Tax (see instrs). Check if any from: a <input type="checkbox"/> Form(s) 8814 c <input type="checkbox"/> b <input type="checkbox"/> Form 4972 .....	44	3,086.
45	Alternative minimum tax (see instructions). Attach Form 6251 .....	45	0.
46	Excess advance premium tax credit repayment. Attach Form 8962 .....	46	
47	Add lines 44, 45 and 46 .....	47	3,086.
48	Foreign tax credit. Attach Form 1116 if required .....	48	
49	Credit for child and dependent care expenses. Attach Form 2441 .....	49	
50	Education credits from Form 8863, line 19 .....	50	
51	Retirement savings contributions credit. Attach Form 8880 .....	51	
52	Child tax credit. Attach Schedule 8812, if required .....	52	
53	Residential energy credits. Attach Form 5695 .....	53	
54	Other crs from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/> .....	54	
55	Add lines 48 through 54. These are your total credits .....	55	
56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0- .....	56	3,086.
57	Self-employment tax. Attach Schedule SE .....	57	573.
58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919 .....	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required .....	59	
60a	Household employment taxes from Schedule H .....	60a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required .....	60b	
61	Health care: individual responsibility (see instructions) Full-year coverage <input checked="" type="checkbox"/> .....	61	
62	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instrs; enter code(s) .....	62	
63	Add lines 56-62. This is your total tax .....	63	3,659.
64	Federal income tax withheld from Forms W-2 and 1099 .....	64	
65	2014 estimated tax payments and amount applied from 2013 return .....	65	
66a	Earned income credit (EIC) .....	66a	
b	Nontaxable combat pay election .....	66b	
67	Additional child tax credit. Attach Schedule 8812 .....	67	
68	American opportunity credit from Form 8863, line 8 .....	68	
69	Net premium tax credit. Attach Form 8962 .....	69	
70	Amount paid with request for extension to file .....	70	
71	Excess social security and tier 1 RRTA tax withheld .....	71	
72	Credit for federal tax on fuels. Attach Form 4136 .....	72	
73	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> Reserved d <input type="checkbox"/> .....	73	
74	Add lns 64, 65, 66a, & 67-73. These are your total pmts. ....	74	0.

## Refund

Direct deposit? See instructions.

75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid .....	75	
76a	Amount of line 75 you want refunded to you. If Form 8888 is attached, check here. <input type="checkbox"/> .....	76a	
b	Routing number .....	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number .....		
77	Amount of line 75 you want applied to your 2015 estimated tax .....	77	
78	Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions. ....	78	3,725.
79	Estimated tax penalty (see instructions) .....	79	66.

## Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name	Phone no.	Personal identification number (PIN)
GEORGE W STEIN CPA	907-262-9123	50555

## Sign Here

Joint return? See instructions.

Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
		MANAGER	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see instrs)
		OFFICE MGR	

## Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
GEORGE W STEIN CPA	GEORGE W STEIN CPA			P00544611
Firm's name	Firm's EIN			
LAMBE, TUTER, WAGNER CPA'S, APC	92-0115580			
Firm's address	Phone no.			
189 S. BINKLEY STE 201	(907) 262-9123			
SOLDOTNA, AK 99669				

**Underpayment of Estimated Tax by  
Individuals, Estates, and Trusts**

► Information about Form 2210 and its separate instructions is at [www.irs.gov/form2210](http://www.irs.gov/form2210).  
► Attach to Form 1040, 1040A, 1040NR, 1040NR-EZ, or 1041.

Name(s) shown on tax return

PAUL E AND NANCY S GRAY

Identifying number

**Do You Have To File Form 2210?**

Complete lines 1 through 7 below. Is line 7 less than \$1,000?	Yes	<b>Do not file Form 2210.</b> You do not owe a penalty.
No		
Complete lines 8 and 9 below. Is line 6 equal to or more than line 9?	Yes	You do not owe a penalty. <b>Do not file Form 2210</b> (but if box <b>E</b> in Part II applies, you must file page 1 of Form 2210).
No		
You may owe a penalty. Does any box in Part II below apply?	Yes	You <b>must</b> file Form 2210. Does box <b>B, C, or D</b> in Part II apply?
No		
	No	
	Yes	You must figure your penalty.
<b>Do not file Form 2210.</b> You are not required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>do not file Form 2210</b> .		You are <b>not</b> required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>file only page 1 of Form 2210</b> .

**Part I Required Annual Payment**

1	Enter your 2014 tax after credits from Form 1040, line 56 (see instructions if not filing Form 1040).....	1	3,086.
2	Other taxes, including self-employment tax and, if applicable, Additional Medicare Tax and/or Net Investment Income Tax (see instructions).....	2	573.
3	Refundable credits, including the premium tax credit (see instructions).....	3	0.
4	Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not file Form 2210</b> .....	4	3,659.
5	Multiply line 4 by 90% (.90).....	5	3,293.
6	Withholding taxes. <b>Do not</b> include estimated tax payments (see instructions).....	6	
7	Subtract line 6 from line 4. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not file Form 2210</b> .....	7	3,659.
8	Maximum required annual payment based on prior year's tax (see instructions).....	8	3,935.
9	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 5 or line 8.....	9	3,293.

Next: Is line 9 more than line 6?

- ☐ **No.** You **do not** owe a penalty. **Do not file Form 2210** unless box **E** below applies.
- ☒ **Yes.** You may owe a penalty, but **do not file Form 2210** unless one or more boxes in Part II below applies.
- If box **B, C, or D** applies, you must figure your penalty and file Form 2210.
  - If box **A or E** applies (but not **B, C, or D**) file only page 1 of Form 2210. You are **not** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210**.

**Part II Reasons for Filing.** Check applicable boxes. If none apply, **do not file Form 2210**.

- A** ☐ You request a **waiver** (see instructions) of your entire penalty. You must check this box and file page 1 of Form 2210, but you are not required to figure your penalty.
- B** ☐ You request a **waiver** (see instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** ☐ Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** ☐ Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** ☐ You filed or are filing a joint return for either 2013 or 2014, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you are **not** required to figure your penalty (unless box **B, C, or D** applies).

**BAA For Paperwork Reduction Act Notice, see separate instructions.**Form **2210** (2014)

**Part III Short Method****Can You Use the Short Method?**

You can use the short method if:

- You made no estimated tax payments (or your only payments were withheld federal income tax), **or**
- You paid the same amount of estimated tax on each of the four payment due dates.

**Must You Use the Regular Method?**

You must use the regular method (Part IV) instead of the short method if:

- You made any estimated tax payments late,
- You checked box **C** or **D** in Part II, **or**
- You are filing Form 1040NR or 1040NR-EZ and you did not receive wages as an employee subject to U.S. income tax withholding.

**Note.** If any payment was made earlier than the due date, you can use the short method, but using it may cause you to pay a larger penalty than the regular method. If the payment was only a few days early, the difference is likely to be small.

<b>10</b>	Enter the amount from Form 2210, line 9. ....	<b>10</b>	3,293.
<b>11</b>	Enter the amount, if any, from Form 2210, line 6. ....	<b>11</b>	
<b>12</b>	Enter the total amount, if any, of estimated tax payments you made. ....	<b>12</b>	
<b>13</b>	Add lines 11 and 12. ....	<b>13</b>	
<b>14</b>	<b>Total underpayment for year.</b> Subtract line 13 from line 10. If zero or less, <b>stop</b> ; you do not owe a penalty. <b>Do not file Form 2210 unless you checked box E in Part II.</b> ....	<b>14</b>	3,293.
<b>15</b>	Multiply line 14 by .01995. ....	<b>15</b>	66.
<b>16</b>	<ul style="list-style-type: none"> <li>• If the amount on line 14 was paid <b>on or after</b> 4/15/15, enter -0-.</li> <li>• If the amount on line 14 was paid <b>before</b> 4/15/15, make the following computation to find the amount to enter on line 16.</li> </ul>		
	Amount on line 14      x      Number of days paid before 4/15/15      x      .00008 .....	<b>16</b>	0.
<b>17</b>	<b>Penalty.</b> Subtract line 16 from line 15. Enter the result here and on Form 1040, line 79; Form 1040A, line 51; Form 1040NR, line 76; Form 1040NR-EZ, line 26; or Form 1041, line 26. <b>Do not file Form 2210 unless you checked a box in Part II.</b> ....	<b>17</b>	66.

Form 2210 (2014)

**SCHEDULE A**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Itemized Deductions**

► Information about Schedule A and its separate instructions is at [www.irs.gov/schedulea](http://www.irs.gov/schedulea).  
► **Attach to Form 1040.**

OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

PAUL E AND NANCY S GRAY

<b>Medical and Dental Expenses</b>	<b>Caution.</b> Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions) ... STATEMENT 2	1	8,868.
	2	Enter amount from Form 1040, line 38. ... 2 48,133.		
	3	Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1950, multiply line 2 by 7.5% (.075) instead	3	3,610.
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	5,258.
<b>Taxes You Paid</b>	5 State and local (check only one box):			
	a	<input type="checkbox"/> Income taxes, or	5	906.
	b	<input checked="" type="checkbox"/> General sales taxes		
	6	Real estate taxes (see instructions) ... SEE STATEMENT 3	6	1,901.
	7	Personal property taxes	7	
	8	Other taxes. List type and amount ►	8	
	9	Add lines 5 through 8	9	2,807.
	<b>Interest You Paid</b>	10	Home mtg interest and points reported to you on Form 1098. ... SEE ST 4	10
11		Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ►		
		15	Add lines 10 through 14	15
<b>Gifts to Charity</b>	16	Gifts by cash or check. If you made any gift of \$250 or more, see instrs ... SEE STATEMENT 5	16	150.
	17	Other than by cash or check. If any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500	17	
	18	Carryover from prior year	18	
	19	Add lines 16 through 18	19	150.
<b>Casualty and Theft Losses</b>	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20	0.
<b>Job Expenses and Certain Miscellaneous Deductions</b>	21	Unreimbursed employee expenses — job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►	21	
	22	Tax preparation fees	22	
	23	Other expenses — investment, safe deposit box, etc. List type and amount ►	23	
	24	Add lines 21 through 23	24	
	25	Enter amount from Form 1040, line 38. ... 25		
	26	Multiply line 25 by 2% (.02)	26	
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27	0.
<b>Other Miscellaneous Deductions</b>	28	Other — from list in instructions. List type and amount ►	28	0.
<b>Total Itemized Deductions</b>	29	Is Form 1040, line 38, over \$152,525? <input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.	29	9,571.
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here. ► <input type="checkbox"/>		

**SCHEDULE B**  
**(Form 1040A or 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Interest and Ordinary Dividends**

► Attach to Form 1040A or 1040.  
► Information about Schedule B and its instructions is at [www.irs.gov/scheduleb](http://www.irs.gov/scheduleb).

OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **08**

Name(s) shown on return

PAUL E AND NANCY S GRAY

Your social security number

**Part I**  
**Interest**

(See  
instructions for  
Form 1040A, or  
Form 1040,  
line 8a.)

**Note.** If you  
received a Form  
1099-INT, Form  
1099-OID, or  
substitute statement  
from a brokerage  
firm, list the firm's  
name as the payer  
and enter the total  
interest shown on  
that form.

**1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►

AK USA FCU  
WELLS FARGO

**Amount**

2.  
12.

**1**

**2** Add the amounts on line 1. . . . .  
**3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815. . . . .  
**4** Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a. . . . .

14.  
3  
14.

**Note.** If line 4 is over \$1,500, you must complete Part III.

**Amount**

**Part II**

**Ordinary  
Dividends**

(See  
instructions for  
Form 1040A, or  
Form 1040,  
line 9a.)

**Note.** If you received  
a Form 1099-DIV or  
substitute statement  
from a brokerage  
firm, list the firm's  
name as the payer  
and enter the  
ordinary dividends  
shown on that form.

**5** List name of payer ►

**5**

**6** Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a. . . . .

0.

**Note.** If line 6 is over \$1,500, you must complete Part III.

**Part III**  
**Foreign  
Accounts  
and Trusts**

(See  
instructions.)

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

**Yes** **No**

**7 a** At any time during 2014, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions. . . . .  
If 'Yes,' are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements. . . . .

X

**b** If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ►

**8** During 2014, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions. . . . .

X

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
**(Sole Proprietorship)**

OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **09**

► **Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).**  
► **Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.**

Name of proprietor

**NANCY S GRAY**

Social security number (SSN)

**[REDACTED]**

**A** Principal business or profession, including product or service (see instructions)

**SKIN CARE**

**B** Enter code from instructions

► **812190**

**C** Business name. If no separate business name, leave blank.

**FUTURE FACE**

**D** Employer ID number (EIN), (see instrs)

**E** Business address (including suite or room no.) ►

City, town or post office, state, and ZIP code

**F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

**G** Did you 'materially participate' in the operation of this business during 2014? If 'No,' see instructions for limit on losses. ☒ Yes ☐ No

**H** If you started or acquired this business during 2014, check here ..... ☐

**I** Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions) ..... ☒ Yes ☐ No

**J** If 'Yes,' did you or will you file required Forms 1099? ..... ☒ Yes ☐ No

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked. .... <input type="checkbox"/>	<b>1</b>	<b>10,153.</b>
<b>2</b> Returns and allowances. ....	<b>2</b>	
<b>3</b> Subtract line 2 from line 1. ....	<b>3</b>	<b>10,153.</b>
<b>4</b> Cost of goods sold (from line 42) .....	<b>4</b>	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3. ....	<b>5</b>	<b>10,153.</b>
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) .....	<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6. ....	<b>7</b>	<b>10,153.</b>

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising. ....	<b>8</b>		<b>18</b> Office expense (see instructions). ....	<b>18</b>	
<b>9</b> Car and truck expenses (see instructions) .....	<b>9</b>		<b>19</b> Pension and profit-sharing plans. ....	<b>19</b>	
<b>10</b> Commissions and fees. ....	<b>10</b>		<b>20</b> Rent or lease (see instructions):		
<b>11</b> Contract labor (see instructions) .....	<b>11</b>		<b>a</b> Vehicles, machinery, and equipment. ....	<b>20 a</b>	
<b>12</b> Depletion. ....	<b>12</b>		<b>b</b> Other business property. ....	<b>20 b</b>	
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions) .....	<b>13</b>		<b>21</b> Repairs and maintenance. ....	<b>21</b>	
<b>14</b> Employee benefit programs (other than on line 19) .....	<b>14</b>		<b>22</b> Supplies (not included in Part III) .....	<b>22</b>	<b>4,333.</b>
<b>15</b> Insurance (other than health) ...	<b>15</b>	<b>354.</b>	<b>23</b> Taxes and licenses. ....	<b>23</b>	<b>141.</b>
<b>16</b> Interest:			<b>24</b> Travel, meals, and entertainment:		
<b>a</b> Mortgage (paid to banks, etc) .....	<b>16 a</b>		<b>a</b> Travel. ....	<b>24 a</b>	
<b>b</b> Other .....	<b>16 b</b>	<b>21.</b>	<b>b</b> Deductible meals and entertainment (see instructions) .....	<b>24 b</b>	
<b>17</b> Legal & professional services. ....	<b>17</b>		<b>25</b> Utilities. ....	<b>25</b>	
<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a. ....	<b>28</b>		<b>26</b> Wages (less employment credits) .....	<b>26</b>	
<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7. ....	<b>29</b>		<b>27 a</b> Other expenses (from line 48) .....	<b>27 a</b>	<b>1,249.</b>
<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30. ....	<b>30</b>		<b>b</b> <b>Reserved for future use</b> .....	<b>27 b</b>	
<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	<b>31</b>	<b>4,055.</b>			

**32** If you have a loss, check the box that describes your investment in this activity (see instructions).

    • If you checked 32a, enter the loss on both **Form 1040, line 12**, (or **Form 1040NR, line 13**) and on **Schedule SE, line 2**. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3**.

    • If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

**32 a** ☐ All investment is at risk.

**32 b** ☐ Some investment is not at risk.

**BAA For Paperwork Reduction Act Notice, see the separate instructions.**

FDIZ0112L 10/30/14

Schedule **C** (Form 1040) 2014

**Part III Cost of Goods Sold** (see instructions)

<b>33</b> Method(s) used to value closing inventory: <b>a</b> <input type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b> Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>35</b> Inventory at beginning of year. If different from last year's closing inventory, attach explanation .....	<b>35</b>
<b>36</b> Purchases less cost of items withdrawn for personal use .....	<b>36</b>
<b>37</b> Cost of labor. Do not include any amounts paid to yourself .....	<b>37</b>
<b>38</b> Materials and supplies .....	<b>38</b>
<b>39</b> Other costs .....	<b>39</b>
<b>40</b> Add lines 35 through 39 .....	<b>40</b>
<b>41</b> Inventory at end of year .....	<b>41</b>
<b>42</b> <b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 .....	<b>42</b>

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

**43** When did you place your vehicle in service for business purposes? (month, day, year) ▶ .....

**44** Of the total number of miles you drove your vehicle during 2014, enter the number of miles you used your vehicle for:

**a** Business ..... **b** Commuting (see instructions) ..... **c** Other .....

**45** Was your vehicle available for personal use during off-duty hours? ..... ☐ Yes ☐ No

**46** Do you (or your spouse) have another vehicle available for personal use? ..... ☐ Yes ☐ No

**47a** Do you have evidence to support your deduction? ..... ☐ Yes ☐ No

**b** If 'Yes,' is the evidence written? ..... ☐ Yes ☐ No

**Part V Other Expenses.** List below business expenses not included on lines 8-26 or line 30.

AUTO MILEAGE .....	336.
DUES AND SUBSCRIPTIONS .....	99.
POSTAGE .....	94.
TELEPHONE .....	720.
.....	
.....	
.....	
<b>48</b> <b>Total other expenses.</b> Enter here and on line 27a .....	<b>48</b> 1,249.

**SCHEDULE E**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

Name(s) shown on return

PAUL E AND NANCY S GRAY

**Supplemental Income and Loss**

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

► Attach to Form 1040, 1040NR, or Form 1041.

► Information about Schedule E and its separate instructions is at [www.irs.gov/schedulee](http://www.irs.gov/schedulee).

OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **13**

Your social security number

**Part I** **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

- A** Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions) ☒ Yes ☐ No  
**B** If 'Yes,' did you or will you file required Forms 1099? ☒ Yes ☐ No

<b>1 a</b>	Physical address of each property (street, city, state, ZIP code)				
<b>A</b>	795 GRIFFIN AVE, SOLDOTNA, AK 99669				
<b>B</b>					
<b>C</b>					
<b>1 b</b>	Type of Property (from list below)	<b>2</b> For each rental real estate property listed above, report the number of fair rental and personal use days. Check the <b>QJV</b> box only if you meet the requirements to file as a qualified joint venture. See instructions.	<b>Fair Rental Days</b>	<b>Personal Use Days</b>	<b>QJV</b>
<b>A</b>	2	<b>A</b>	365		
<b>B</b>		<b>B</b>			
<b>C</b>		<b>C</b>			

**Type of Property:**

- 1 Single Family Residence      3 Vacation/Short-Term Rental      5 Land      7 Self-Rental  
2 Multi-Family Residence      4 Commercial      6 Royalties      8 Other (describe)

<b>Income:</b>		<b>Properties:</b>	<b>A</b>	<b>B</b>	<b>C</b>
<b>3</b>	Rents received	<b>3</b>	12,240.		
<b>4</b>	Royalties received	<b>4</b>			
<b>Expenses:</b>					
<b>5</b>	Advertising	<b>5</b>			
<b>6</b>	Auto and travel (see instructions)	<b>6</b>			
<b>7</b>	Cleaning and maintenance	<b>7</b>			
<b>8</b>	Commissions	<b>8</b>			
<b>9</b>	Insurance	<b>9</b>	330.		
<b>10</b>	Legal and other professional fees	<b>10</b>			
<b>11</b>	Management fees	<b>11</b>			
<b>12</b>	Mortgage interest paid to banks, etc (see instructions)	<b>12</b>			
<b>13</b>	Other interest	<b>13</b>			
<b>14</b>	Repairs	<b>14</b>			
<b>15</b>	Supplies	<b>15</b>	1,160.		
<b>16</b>	Taxes	<b>16</b>	2,090.		
<b>17</b>	Utilities	<b>17</b>	2,247.		
<b>18</b>	Depreciation expense or depletion	<b>18</b>	2,942.		
<b>19</b>	Other (list) ► SEE STM 6	<b>19</b>	836.		
<b>20</b>	Total expenses. Add lines 5 through 19	<b>20</b>	9,605.		
<b>21</b>	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	<b>21</b>	2,635.		
<b>22</b>	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	<b>22</b>			
<b>23 a</b>	Total of all amounts reported on line 3 for all rental properties	<b>23 a</b>	12,240.		
<b>b</b>	Total of all amounts reported on line 4 for all royalty properties	<b>23 b</b>			
<b>c</b>	Total of all amounts reported on line 12 for all properties	<b>23 c</b>			
<b>d</b>	Total of all amounts reported on line 18 for all properties	<b>23 d</b>	2,942.		
<b>e</b>	Total of all amounts reported on line 20 for all properties	<b>23 e</b>	9,605.		
<b>24</b>	<b>Income.</b> Add positive amounts shown on line 21. Do not include any losses	<b>24</b>		2,635.	
<b>25</b>	<b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	<b>25</b>			
<b>26</b>	<b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2.	<b>26</b>		2,635.	

**BAA** For Paperwork Reduction Act Notice, see the separate instructions.

FDIZ2301L 10/30/14

Schedule E (Form 1040) 2014



Name(s) shown on return. Do not enter name and social security number if shown on Page 1.

Your social security number

PAUL E AND NANCY S GRAY

**Caution.** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.**Part II Income or Loss From Partnerships and S Corporations****Note.** If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column (e) on line 28 and attach **Form 6198**. See instructions.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk, excess farm loss, or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered 'Yes,' see instructions before completing this section. ☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	GRAY PUBLISHING INC	S		92-0128114	
B	GRAY PUBLISHING INC	S		92-0128114	
C					
D					

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A			1,648.	18,160.
B			1,648.	18,160.
C				
D				
29 a Totals.....				36,320.
b Totals.....			3,296.	
30 Add columns (g) and (j) of line 29a.....			30	36,320.
31 Add columns (f), (h), and (i) of line 29b.....			31	-3,296.
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below.....			32	33,024.

**Part III Income or Loss From Estates and Trusts**

33	(a) Name	(b) Employer ID no.
A		
B		
Passive Income and Loss		Nonpassive Income and Loss
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1
A		
B		
34 a Totals.....		
b Totals.....		
35 Add columns (d) and (f) of line 34a.....		35
36 Add columns (c) and (e) of line 34b.....		36
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below.....		37

**Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder**

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below.....				39

**Part V Summary**

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below.....	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18.....	41	35,659.
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code V; and Schedule K-1 (Form 1041), box 14, code F (see instructions).....	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules.....	43	

Department of the Treasury  
Internal Revenue Service (99)

## Self-Employment Tax

▶ Information about Schedule SE and its separate instructions is at [www.irs.gov/schedulese](http://www.irs.gov/schedulese).  
▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2014

Attachment Sequence No. 17

Name of person with **self-employment** income (as shown on Form 1040 or Form 1040NR)

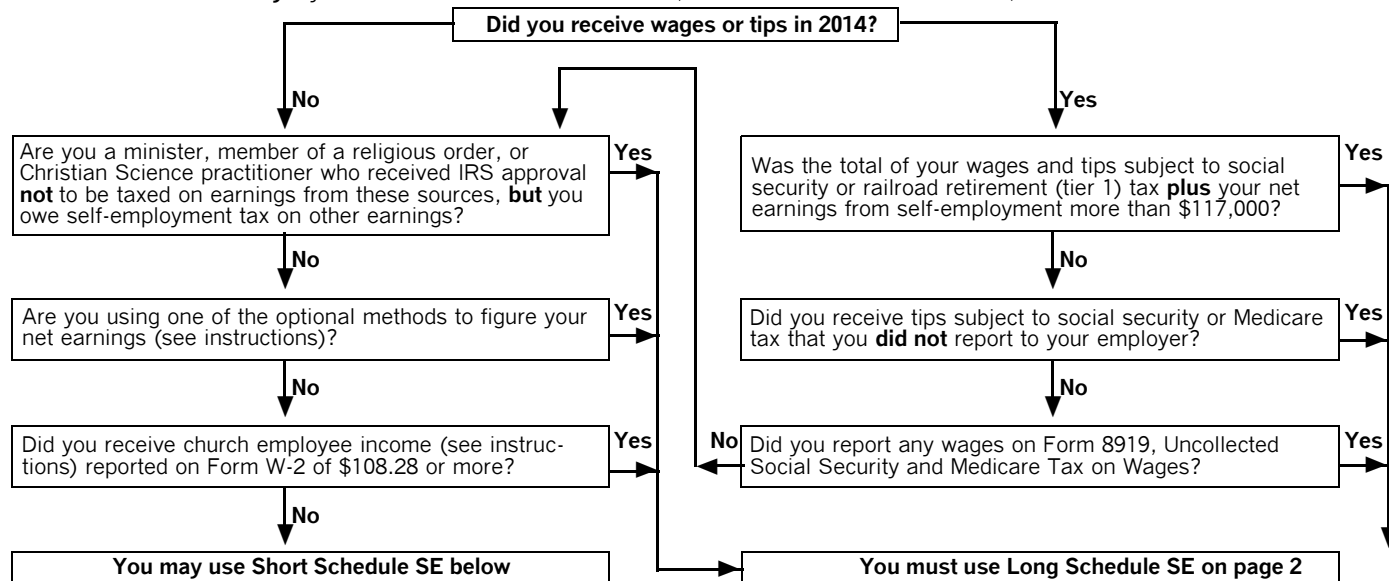
NANCY S GRAY

Social security number of person with **self-employment** income ►

**Before you begin:** To determine if you must file Schedule SE, see the instructions.

## May I Use Short Schedule SE or Must I Use Long Schedule SE?

**Note.** Use this flowchart **only if** you must file Schedule SE. If unsure, see *Who Must File Schedule SE*, in the instructions.



**Section A – Short Schedule SE.** Caution. Read above to see if you can use Short Schedule SE.

<b>1 a</b> Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A .....	<b>1 a</b>	
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z .....	<b>1 b</b>	
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report .....	<b>2</b>	4,055.
<b>3</b> Combine lines 1a, 1b, and 2 .....	<b>3</b>	4,055.
<b>4</b> Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; <b>do not</b> file this schedule unless you have an amount on line 1b .....	<b>4</b>	3,745.
<b>Note.</b> If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.		
<b>5 Self-employment tax.</b> If the amount on line 4 is: • \$117,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on <b>Form 1040, line 57,</b> or <b>Form 1040NR, line 55</b> • More than \$117,000, multiply line 4 by 2.9% (.029). Then, add \$14,508 to the result. Enter the total here and on <b>Form 1040, line 57, or Form 1040NR, line 55</b> .....	<b>5</b>	573.
<b>6 Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.50). Enter the result here and on <b>Form 1040, line 27, or Form 1040NR, line 27</b> .....	<b>6</b>	287.

**BAA** For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule **SE** (Form 1040) 2014

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
**(Including Information on Listed Property)**

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

OMB No. 1545-0172

**2014**Attachment  
Sequence No. **179**

Name(s) shown on return

**PAUL E AND NANCY S GRAY**

Business or activity to which this form relates

**PART I - SUMMARY****Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions) .....	1	500,000.
2	Total cost of section 179 property placed in service (see instructions) .....	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions) .....	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions .....	5	500,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
FROM SCHEDULE K-1			3,296.
7	Listed property. Enter the amount from line 29 .....	7	0.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 .....	8	3,296.
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 .....	9	3,296.
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562 .....	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	40,375.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	12	3,296.
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12. .... ▶	13	0.

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) .....	14	
15	Property subject to section 168(f)(1) election .....	15	
16	Other depreciation (including ACRS) .....	16	

**Part III MACRS Depreciation (Do not include listed property.)** (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2014 .....	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. .... ▶ <input type="checkbox"/>		

**Section B - Assets Placed in Service During 2014 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property .....						
b 5-year property .....						
c 7-year property .....						
d 10-year property .....						
e 15-year property .....						
f 20-year property .....						
g 25-year property .....			25 yrs		S/L	
h Residential rental property .....			27.5 yrs	MM	S/L	
i Nonresidential real property .....			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System**

20 a Class life .....					S/L	
b 12-year .....			12 yrs		S/L	
c 40-year .....			40 yrs	MM	S/L	

**Part IV Summary** (See instructions.)

21	Listed property. Enter amount from line 28 .....	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions .....	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs .....	23	

**BAA For Paperwork Reduction Act Notice, see separate instructions.**

FDIZ0812L 06/24/14

Form **4562** (2014)

2014

## FEDERAL STATEMENTS

PAGE 1

PAUL E AND NANCY S GRAY

**STATEMENT 1  
FORM 1040, PAGE 2  
PENALTIES**

TAX DUE BEFORE PENALTIES.....	\$	3,725.
LATE PAYMENT.....		110.
INTEREST.....		23.
GRAND TOTAL TAX DUE	\$	<u><u>3,858.</u></u>

**STATEMENT 2  
SCHEDULE A, LINE 1  
MEDICAL AND DENTAL EXPENSES**

INSURANCE PREMIUMS.....		\$ 8,868.
TOTAL	\$	<u><u>8,868.</u></u>

**STATEMENT 3  
SCHEDULE A, LINE 6  
REAL ESTATE TAXES**

PROPERTY HELD FOR INVESTMENT.....	\$	1,438.
TOTAL	\$	<u><u>463.</u></u>
		<u><u>1,901.</u></u>

**STATEMENT 4  
SCHEDULE A, LINE 10  
HOME MORTGAGE INTEREST REPORTED ON FORM 1098**

KEY BANK.....	\$	1,356.
TOTAL	\$	<u><u>1,356.</u></u>

**STATEMENT 5  
SCHEDULE A, LINE 16  
CONTRIBUTIONS BY CASH OR CHECK**

CHARITABLE CONTRIBUTIONS FROM K-1.....	\$	150.
TOTAL	\$	<u><u>150.</u></u>

**STATEMENT 6  
SCHEDULE E, LINE 19 - 795 GRIFFIN AVE  
OTHER RENTAL AND ROYALTY EXPENSES**

AUTO MILEAGE.....	\$	168.
BANK FEES.....		50.
TELEPHONE.....		618.
TOTAL	\$	<u><u>836.</u></u>

12/31/14

## 2014 FEDERAL DEPRECIATION SCHEDULE

PAGE 1

PAUL E AND NANCY S GRAY

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
SCHEDULE C - FUTURE FACE																
1	EQUIPMENT	2/01/97		3,405							3,405	3,405	200DB HY	5		0
	TOTAL			3,405		0	0	0	0	0	3,405	3,405				0
	TOTAL DEPRECIATION			3,405		0	0	0	0	0	3,405	3,405				0
SCHEDULE E - KENAI RIVER CONDO																
2	HOUSE 50% USAGE	11/01/87		60,000							60,000	54,505	S/L MM	27.5	.03636	2,182
3	WASHER	9/08/00		509							509	509	200DB HY	5		0
4	2 FREEZERS	6/01/02		2,394				718			1,676	1,676	200DB HY	5		0
5	HOT TUB	6/25/06		4,295							4,295	4,295	200DB HY	5		0
6	BOILER	4/10/13		9,500	50.00			2,375			2,375	475	200DB HY	5	.32000	760
	TOTAL			76,698		0	0	3,093	0	0	68,855	61,460				2,942
	TOTAL DEPRECIATION			76,698		0	0	3,093	0	0	68,855	61,460				2,942
	GRAND TOTAL DEPRECIATION			80,103		0	0	3,093	0	0	72,260	64,865				2,942

PAUL E AND NANCY S GRAY

	2014	2013	DIFF
<b>INCOME</b>			
INTEREST INCOME.....	14	21	-7
BUSINESS INCOME.....	4,055	699	3,356
RENT, ROYALTY, PARTNERSHIP, SCORP, TRUST	35,659	43,720	-8,061
TAXABLE SOCIAL SECURITY BENEFITS.....	6,183	7,170	-987
OTHER INCOME.....	3,768	1,800	1,968
TOTAL INCOME.....	49,679	53,410	-3,731
<b>ADJUSTMENTS TO INCOME</b>			
DEDUCTIBLE PART OF SELF-EMPLOYMENT TAX...	287	50	237
SELF-EMPLOYED HEALTH INSURANCE.....	1,259	649	610
TOTAL ADJUSTMENTS.....	1,546	699	847
ADJUSTED GROSS INCOME.....	48,133	52,711	-4,578
<b>ITEMIZED DEDUCTIONS</b>			
MEDICAL & DENTAL.....	5,258	4,979	279
TAXES.....	2,807	3,191	-384
INTEREST.....	1,356	1,439	-83
CONTRIBUTIONS.....	150	1,300	-1,150
TOTAL ITEMIZED DEDUCTIONS.....	9,571	10,909	-1,338
<b>TAX COMPUTATION</b>			
STANDARD DEDUCTION.....	13,600	13,400	200
LARGER OF ITEMIZED OR STANDARD DEDUCTION	13,600	13,400	200
INCOME PRIOR TO EXEMPTION DEDUCTION.....	34,533	39,311	-4,778
EXEMPTION DEDUCTION.....	7,900	7,800	100
TAXABLE INCOME.....	26,633	31,511	-4,878
TAX BEFORE CREDITS.....	3,086	3,836	-750
<b>CREDITS</b>			
TOTAL CREDITS.....	0	0	0
TAX AFTER CREDITS.....	3,086	3,836	-750
<b>OTHER TAXES</b>			
SELF-EMPLOYMENT TAX.....	573	99	474
TOTAL TAX.....	3,659	3,935	-276
<b>PAYMENTS</b>			
TOTAL PAYMENTS.....	0	0	0
<b>REFUND OR AMOUNT DUE</b>			
UNDERPAYMENT PENALTY.....	66	63	3
LATE PAYMENT PENALTY.....	110	0	110
INTEREST.....	23	0	23
AMOUNT YOU OWE.....	3,858	3,998	-140
<b>TAX RATES</b>			
MARGINAL TAX RATE.....	15.0%	15.0%	0.0%
EFFECTIVE TAX RATE.....	13.7%	12.5%	1.2%

Form	1040	Department of the Treasury — Internal Revenue Service (99)	U.S. Individual Income Tax Return	2015	OMB No. 1545-0074	IRS Use Only — Do not write or staple in this space.
For the year Jan. 1 - Dec. 31, 2015, or other tax year beginning , 2015, ending , 20					See separate instructions.	
Your first name and initial PAUL E GRAY					Last name Last name	
If a joint return, spouse's first name and initial NANCY S GRAY					Last name Last name	
Home address (number and street). If you have a P.O. box, see instructions. 35555 KENAI SPUR HWY, #232					Apt. no. Apt. no.	
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). SOLDOTNA, AK 99669					Foreign country name Foreign province/state/county Foreign postal code	
Filing Status					Presidential Election Campaign	
1 <input type="checkbox"/> Single					Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.	
2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income)					<input type="checkbox"/> You <input type="checkbox"/> Spouse	
3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above & full name here. ▶						
4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶						
5 <input type="checkbox"/> Qualifying widow(er) with dependent child						
Exemptions					Boxes checked on 6a and 6b . . . . . 2	
6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. . . . .					No. of children on 6c who:	
b <input checked="" type="checkbox"/> Spouse. . . . .					• lived with you. . . . .	
c Dependents:					• did not live with you due to divorce or separation (see instructions). . . . .	
(1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)					Dependents on 6c not entered above . . . . .	
If more than four dependents, see instructions and check here . . . . . <input type="checkbox"/>					Add numbers on lines above . . . . . 2	
d Total number of exemptions claimed. . . . .						
Income						
7 Wages, salaries, tips, etc. Attach Form(s) W-2. . . . .					7 15.	
8a Taxable interest. Attach Schedule B if required. . . . .					8a 15.	
b Tax-exempt interest. Do not include on line 8a . . . . . 8b						
9a Ordinary dividends. Attach Schedule B if required. . . . .					9a	
b Qualified dividends . . . . . 9b						
10 Taxable refunds, credits, or offsets of state and local income taxes. . . . .					10	
11 Alimony received. . . . .					11	
12 Business income or (loss). Attach Schedule C or C-EZ. . . . .					12 -234.	
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here . . . . . <input type="checkbox"/>					13	
14 Other gains or (losses). Attach Form 4797. . . . .					14	
15a IRA distributions. . . . . 15a b Taxable amount. . . . . 15b						
16a Pensions and annuities . . . . . 16a b Taxable amount. . . . . 16b						
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. . . . .					17 20,535.	
18 Farm income or (loss). Attach Schedule F. . . . .					18	
19 Unemployment compensation . . . . .					19	
20a Social security benefits . . . . . 20a 8,734. b Taxable amount. . . . . 20b					0.	
21 Other income. List type and amount ALASKA PERMANENT FUND DIVIDENDS . . . . .					21 4,144.	
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income. . . . . ▶					22 24,460.	
Adjusted Gross Income						
23 Educator expenses . . . . . 23						
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. . . . .					24	
25 Health savings account deduction. Attach Form 8889. . . . .					25	
26 Moving expenses. Attach Form 3903. . . . .					26	
27 Deductible part of self-employment tax. Attach Schedule SE . . . . .					27	
28 Self-employed SEP, SIMPLE, and qualified plans. . . . .					28	
29 Self-employed health insurance deduction. . . . .					29	
30 Penalty on early withdrawal of savings. . . . .					30	
31a Alimony paid b Recipient's SSN. . . . . ▶ 31a						
32 IRA deduction. . . . .					32	
33 Student loan interest deduction. . . . .					33	
34 Tuition and fees. Attach Form 8917. . . . .					34	
35 Domestic production activities deduction. Attach Form 8903. . . . .					35	
36 Add lines 23 through 35. . . . .					36 0.	
37 Subtract line 36 from line 22. This is your adjusted gross income . . . . . ▶					37 24,460.	

**Tax and Credits****Standard Deduction for –**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:

Single or Married filing separately, \$6,300

Married filing jointly or Qualifying widow(er), \$12,600

Head of household, \$9,250

38 Amount from line 37 (adjusted gross income) 38 24,460.

39a Check ☐ You were born before January 2, 1951, ☐ Blind. Total boxes checked ☐ 39a 1  
if: ☒ Spouse was born before January 2, 1951, ☐ Blind. ☐ 39b

b If your spouse itemizes on a separate return or you were a dual-status alien, check here ☐ 39b

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40 13,850.

41 Subtract line 40 from line 38 41 10,610.

42 Exemptions. If line 38 is \$154,950 or less, multiply \$4,000 by the number on line 6d. Otherwise, see instrs 42 8,000.

43 Taxable income. Subtract line 42 from line 41. 43 2,610.

If line 42 is more than line 41, enter -0-

44 Tax (see instructions). Check if any from: a ☐ Form(s) 8814 c ☐ 44 261.

b ☐ Form 4972 45 0.

45 Alternative minimum tax (see instructions). Attach Form 6251. 46

46 Excess advance premium tax credit repayment. Attach Form 8962. 47 261.

47 Add lines 44, 45, and 46 47 261.

48 Foreign tax credit. Attach Form 1116 if required 48

49 Credit for child and dependent care expenses. Attach Form 2441 49

50 Education credits from Form 8863, line 19 50

51 Retirement savings contributions credit. Attach Form 8880 51

52 Child tax credit. Attach Schedule 8812, if required 52

53 Residential energy credits. Attach Form 5695 53

54 Other crs from Form: a ☐ 3800 b ☐ 8801 c ☐ 54

55 Add lines 48 through 54. These are your total credits 55

56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0- 56 261.

**Other Taxes**

57 Self-employment tax. Attach Schedule SE. 57

58 Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919 58

59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required 59

60a Household employment taxes from Schedule H. 60a

b First-time homebuyer credit repayment. Attach Form 5405 if required 60b

61 Health care: individual responsibility (see instructions) Full-year coverage ☒ 61

62 Taxes from: a ☐ Form 8959 b ☐ Form 8960 c ☐ Instrs; enter code(s) 62

63 Add lines 56 through 62. This is your total tax. 63 261.

**Payments**

If you have a qualifying child, attach Schedule EIC.

64 Federal income tax withheld from Forms W-2 and 1099 64

65 2015 estimated tax payments and amount applied from 2014 return. 65

66a Earned income credit (EIC) 66a

b Nontaxable combat pay election ☐ 66b

67 Additional child tax credit. Attach Schedule 8812 67

68 American opportunity credit from Form 8863, line 8. 68

69 Net premium tax credit. Attach Form 8962 69 2,503.

70 Amount paid with request for extension to file 70

71 Excess social security and tier 1 RRTA tax withheld 71

72 Credit for federal tax on fuels. Attach Form 4136 72

73 Credits from Form: a ☐ 2439 b ☐ Reserved c ☐ 8885 d ☐ 73

74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments 74 2,503.

**Refund**

75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid. 75 2,242.

76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here ☐ 76a 2,242.

b Routing number ☐ XXXXXXXXXXXX c Type: ☐ Checking ☐ Savings

d Account number ☐ XXXXXXXXXXXXXXXXXXXXXXXXXXXX

77 Amount of line 75 you want applied to your 2016 estimated tax 77

Direct deposit? See instructions.

**Amount You Owe**

78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions. 78

79 Estimated tax penalty (see instructions). 79

**Third Party Designee**

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name ☐ GEORGE W STEIN CPA Phone no. ☐ 907-262-9123 Personal identification number (PIN) ☐ 50555

**Sign Here**

Joint return? See instructions.

Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature \_\_\_\_\_ Date \_\_\_\_\_ Your occupation \_\_\_\_\_ Daytime phone number \_\_\_\_\_

Spouse's signature. If a joint return, both must sign. \_\_\_\_\_ Date \_\_\_\_\_ Spouse's occupation \_\_\_\_\_ If the IRS sent you an Identity Protection PIN, enter it here (see inst.) \_\_\_\_\_

OFFICE MGR

**Paid Preparer Use Only**

Print/Type preparer's name \_\_\_\_\_ Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check ☐ if self-employed PTIN \_\_\_\_\_

GEORGE W STEIN CPA GEORGE W STEIN CPA P00544611

Firm's name ☐ LAMBE, TUTER, WAGNER CPA'S, APC

Firm's address ☐ 189 S. BINKLEY STE 201 Firm's EIN ☐ 92-0115580

SOLDOTNA, AK 99669 Phone no. ☐ (907) 262-9123



**Underpayment of Estimated Tax by  
Individuals, Estates, and Trusts**

► Information about Form 2210 and its separate instructions is at [www.irs.gov/form2210](http://www.irs.gov/form2210).  
► Attach to Form 1040, 1040A, 1040NR, 1040NR-EZ, or 1041.

Name(s) shown on tax return

PAUL E AND NANCY S GRAY

Identifying number

**Do You Have To File Form 2210?**

Complete lines 1 through 7 below. Is line 7 less than \$1,000?	Yes	<b>Do not file Form 2210.</b> You do not owe a penalty.
↓ No		
Complete lines 8 and 9 below. Is line 6 equal to or more than line 9?	Yes	You do not owe a penalty. <b>Do not file Form 2210</b> (but if box <b>E</b> in Part II applies, you must file page 1 of Form 2210).
↓ No		
You may owe a penalty. Does any box in Part II below apply?	Yes	You <b>must</b> file Form 2210. Does box <b>B, C, or D</b> in Part II apply?
↓ No		
	No	
	Yes	You must figure your penalty.
<b>Do not file Form 2210.</b> You are not required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>do not file Form 2210</b> .		You are <b>not</b> required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>file only page 1 of Form 2210</b> .

**Part I Required Annual Payment**

1	Enter your 2015 tax after credits from Form 1040, line 56 (see instructions if not filing Form 1040).....	1	261.
2	Other taxes, including self-employment tax and, if applicable, Additional Medicare Tax and/or Net Investment Income Tax (see instructions).....	2	
3	Refundable credits, including the premium tax credit (see instructions).....	3	-2,503.
4	Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not file Form 2210</b> .....	4	-2,242.
5	Multiply line 4 by 90% (.90).....	5	-2,018.
6	Withholding taxes. <b>Do not</b> include estimated tax payments (see instructions).....	6	
7	Subtract line 6 from line 4. If less than \$1,000, <b>stop</b> ; you do not owe a penalty. <b>Do not file Form 2210</b> .....	7	-2,242.
8	Maximum required annual payment based on prior year's tax (see instructions).....	8	
9	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 5 or line 8.....	9	

Next: Is line 9 more than line 6?

- ☒ **No.** You **do not** owe a penalty. **Do not file Form 2210** unless box **E** below applies.
- ☐ **Yes.** You may owe a penalty, but **do not file Form 2210** unless one or more boxes in Part II below applies.
- If box **B, C, or D** applies, you must figure your penalty and file Form 2210.
  - If box **A or E** applies (but not **B, C, or D**) file only page 1 of Form 2210. You are **not** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210**.

**Part II Reasons for Filing.** Check applicable boxes. If none apply, **do not file Form 2210**.

- A** ☐ You request a **waiver** (see instructions) of your entire penalty. You must check this box and file page 1 of Form 2210, but you are not required to figure your penalty.
- B** ☐ You request a **waiver** (see instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** ☐ Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** ☐ Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** ☐ You filed or are filing a joint return for either 2014 or 2015, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you are **not** required to figure your penalty (unless box **B, C, or D** applies).

**BAA For Paperwork Reduction Act Notice, see separate instructions.**Form **2210** (2015)

**Part IV Regular Method** (See the instructions if you are filing Form 1040NR or 1040NR-EZ.)

Section A – Figure Your Underpayment		Payment Due Dates			
		(a) 4/15/15	(b) 6/15/15	(c) 9/15/15	(d) 1/15/16
<b>18 Required installments.</b> If box C in Part II applies, enter the amounts from Schedule AI, line 25. Otherwise, enter 25% (.25) of line 9, Form 2210, in each column.	<b>18</b>				
<b>19</b> Estimated tax paid and tax withheld (see the instructions). For column (a) only, also enter the amount from line 19 on line 23. If line 19 is equal to or more than line 18 for all payment periods, stop here; you do not owe a penalty. <b>Do not file Form 2210 unless you checked a box in Part II.</b> Complete lines 20 through 26 of one column before going to line 20 of the next column.	<b>19</b>				
<b>20</b> Enter the amount, if any, from line 26 in the previous column.	<b>20</b>				
<b>21</b> Add lines 19 and 20.	<b>21</b>				
<b>22</b> Add the amounts on lines 24 and 25 in the previous column.	<b>22</b>				
<b>23</b> Subtract line 22 from line 21. If zero or less, enter -0-. For column (a) only, enter the amount from line 19.	<b>23</b>	0.	0.	0.	0.
<b>24</b> If line 23 is zero, subtract line 21 from line 22. Otherwise, enter -0-.	<b>24</b>		0.	0.	
<b>25 Underpayment.</b> If line 18 is equal to or more than line 23, subtract line 23 from line 18. Then go to line 20 of the next column. Otherwise, go to line 26.	<b>25</b>				
<b>26</b> Overpayment. If line 23 is more than line 18, subtract line 18 from line 23. Then go to line 20 of the next column.	<b>26</b>				

**Section B – Figure the Penalty** (Use the Worksheet for Form 2210, Part IV, Section B – Figure the Penalty in the instructions.)

<b>27 Penalty.</b> Enter the total penalty from line 14 of the Worksheet for Form 2210, Part IV, Section B – Figure the Penalty. Also include this amount on Form 1040, line 79; Form 1040A, line 51; Form 1040NR, line 76; Form 1040NR-EZ, line 26; or Form 1041, line 26.	<b>27</b>	
<b>Do not file Form 2210 unless you checked a box in Part II</b>		

Form 2210 (2015)

**SCHEDULE A**  
**(Form 1040)**Department of the Treasury  
Internal Revenue Service (99)**Itemized Deductions**► Information about Schedule A and its separate instructions is at [www.irs.gov/schedulea](http://www.irs.gov/schedulea).  
► **Attach to Form 1040.**

OMB No. 1545-0074

**2015**Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

**PAUL E AND NANCY S GRAY**

<b>Medical and Dental Expenses</b>	<b>Caution:</b> Do not include expenses reimbursed or paid by others.			
	1 Medical and dental expenses (see instructions) <b>STATEMENT 1</b>	1	1,324.	
	2 Enter amount from Form 1040, line 38. <b>2</b> 24,460.			
	3 Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1951, multiply line 2 by 7.5% (.075) instead	3	1,835.	
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4 0.
<b>Taxes You Paid</b>	5 State and local (check only one box):			
	a <input type="checkbox"/> Income taxes, or	5	708.	
	b <input checked="" type="checkbox"/> General sales taxes			
	6 Real estate taxes (see instructions) <b>SEE STATEMENT 2</b>	6	1,865.	
	7 Personal property taxes	7		
	8 Other taxes. List type and amount ►	8		
	9 Add lines 5 through 8			9 2,573.
	<b>Interest You Paid</b>	10 Home mtg interest and points reported to you on Form 1098. <b>SEE ST. 3</b>	10	1,179.
11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►				
		11		
12 Points not reported to you on Form 1098. See instrs for spl rules		12		
13 Mortgage insurance premiums (see instructions)		13		
14 Investment interest. Attach Form 4952 if required. (See instrs.)		14		
15 Add lines 10 through 14				15 1,179.
<b>Gifts to Charity</b>		16 Gifts by cash or check. If you made any gift of \$250 or more, see instrs <b>SEE STATEMENT 4</b>	16	160.
	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500	17		
	18 Carryover from prior year	18		
	19 Add lines 16 through 18			19 160.
<b>Casualty and Theft Losses</b>	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20 0.
<b>Job Expenses and Certain Miscellaneous Deductions</b>	21 Unreimbursed employee expenses — job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►	21		
	22 Tax preparation fees	22		
	23 Other expenses — investment, safe deposit box, etc. List type and amount ►	23		
	24 Add lines 21 through 23	24		
	25 Enter amount from Form 1040, line 38. <b>25</b>			
	26 Multiply line 25 by 2% (.02)	26		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27 0.
<b>Other Miscellaneous Deductions</b>	28 Other — from list in instructions. List type and amount ►			28 0.
<b>Total Itemized Deductions</b>	29 Is Form 1040, line 38, over \$154,950? <input checked="" type="checkbox"/> <b>No.</b> Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> <b>Yes.</b> Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			29 3,912.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here. <input type="checkbox"/>			

**SCHEDULE B**  
**(Form 1040A or 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Interest and Ordinary Dividends**

► Attach to Form 1040A or 1040.  
► Information about Schedule B and its instructions is at [www.irs.gov/scheduleb](http://www.irs.gov/scheduleb).

OMB No. 1545-0074

**2015**

Attachment  
Sequence No. **08**

Name(s) shown on return

PAUL E AND NANCY S GRAY

Your social security number

**Part I**

**Interest**

(See instructions for Form 1040A, or Form 1040, line 8a.)

**Note:** If you received a Form 1099-INT, Form 1099-DIV, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

**1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also show that buyer's social security number and address ►

AK USA FCU  
WELLS FARGO

**Amount**

3.  
12.

**1**

**2** Add the amounts on line 1. . . . .  
**3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815. . . . .  
**4** Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a. . . . .

15.  
3.  
15.

**Note:** If line 4 is over \$1,500, you must complete Part III.

**Amount**

**Part II**

**Ordinary Dividends**

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 9a.)

**Note:** If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

**5** List name of payer ►

**5**

**6** Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a. . . . .

0.

**Note:** If line 6 is over \$1,500, you must complete Part III.

**Part III**  
**Foreign Accounts and Trusts**

(See instructions on back.)

You must complete this part if you **(a)** had over \$1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

**Yes** **No**

**7a** At any time during 2015, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions. . . . .  
If 'Yes,' are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements. . . . .

☐ ☒  
☐ ☐

**b** If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ►

☐ ☐

**8** During 2015, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions on back. . . . .

☐ ☒

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
**(Sole Proprietorship)**

OMB No. 1545-0074

**2015**

Attachment  
Sequence No. **09**

► **Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).**  
► **Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.**

Name of proprietor

**NANCY S GRAY**

Social security number (SSN)

[REDACTED]

**A** Principal business or profession, including product or service (see instructions)

**SKIN CARE**

**B** Enter code from instructions

► **812190**

**C** Business name. If no separate business name, leave blank.

**FUTURE FACE**

**D** Employer ID number (EIN), (see instrs)

**E** Business address (including suite or room no.) ►

City, town or post office, state, and ZIP code

**F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

**G** Did you 'materially participate' in the operation of this business during 2015? If 'No,' see instructions for limit on losses. ☒ Yes ☐ No

**H** If you started or acquired this business during 2015, check here ..... ☐

**I** Did you make any payments in 2015 that would require you to file Form(s) 1099? (see instructions) ..... ☒ Yes ☐ No

**J** If 'Yes,' did you or will you file required Forms 1099? ..... ☒ Yes ☐ No

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked. .... <input type="checkbox"/>	<b>1</b>	<b>5,890.</b>
<b>2</b> Returns and allowances. ....	<b>2</b>	
<b>3</b> Subtract line 2 from line 1. ....	<b>3</b>	<b>5,890.</b>
<b>4</b> Cost of goods sold (from line 42) .....	<b>4</b>	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3. ....	<b>5</b>	<b>5,890.</b>
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) .....	<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6. ....	<b>7</b>	<b>5,890.</b>

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising. ....	<b>8</b>		<b>18</b> Office expense (see instructions). ....	<b>18</b>	
<b>9</b> Car and truck expenses (see instructions) .....	<b>9</b>		<b>19</b> Pension and profit-sharing plans. ....	<b>19</b>	
<b>10</b> Commissions and fees. ....	<b>10</b>		<b>20</b> Rent or lease (see instructions):		
<b>11</b> Contract labor (see instructions) .....	<b>11</b>		<b>a</b> Vehicles, machinery, and equipment. ....	<b>20 a</b>	
<b>12</b> Depletion. ....	<b>12</b>		<b>b</b> Other business property. ....	<b>20 b</b>	
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions) .....	<b>13</b>		<b>21</b> Repairs and maintenance. ....	<b>21</b>	
<b>14</b> Employee benefit programs (other than on line 19) .....	<b>14</b>		<b>22</b> Supplies (not included in Part III) .....	<b>22</b>	<b>5,093.</b>
<b>15</b> Insurance (other than health) ...	<b>15</b>	<b>354.</b>	<b>23</b> Taxes and licenses. ....	<b>23</b>	
<b>16</b> Interest:			<b>24</b> Travel, meals, and entertainment:		
<b>a</b> Mortgage (paid to banks, etc.) .....	<b>16 a</b>		<b>a</b> Travel. ....	<b>24 a</b>	<b>290.</b>
<b>b</b> Other .....	<b>16 b</b>		<b>b</b> Deductible meals and entertainment (see instructions) .....	<b>24 b</b>	
<b>17</b> Legal and professional services. ....	<b>17</b>		<b>25</b> Utilities. ....	<b>25</b>	
<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a. ....	<b>28</b>	<b>6,124.</b>	<b>26</b> Wages (less employment credits) .....	<b>26</b>	
<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7. ....	<b>29</b>	<b>-234.</b>	<b>27 a</b> Other expenses (from line 48) .....	<b>27 a</b>	<b>387.</b>
<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30. ....	<b>30</b>		<b>27 b</b> <b>Reserved for future use</b> .....	<b>27 b</b>	
<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	<b>31</b>	<b>-234.</b>			

**32** If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12**, (or **Form 1040NR, line 13**) and on **Schedule SE, line 2**. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3**.

• If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

**32 a** ☒ All investment is at risk.

**32 b** ☐ Some investment is not at risk.

**BAA** For Paperwork Reduction Act Notice, see the separate instructions.

FDIZ0112L 11/28/15

**Schedule C (Form 1040) 2015**

**Part III Cost of Goods Sold** (see instructions)

<b>33</b> Method(s) used to value closing inventory: <b>a</b> <input type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b> Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>35</b> Inventory at beginning of year. If different from last year's closing inventory, attach explanation .....	<b>35</b>
<b>36</b> Purchases less cost of items withdrawn for personal use .....	<b>36</b>
<b>37</b> Cost of labor. Do not include any amounts paid to yourself .....	<b>37</b>
<b>38</b> Materials and supplies .....	<b>38</b>
<b>39</b> Other costs .....	<b>39</b>
<b>40</b> Add lines 35 through 39 .....	<b>40</b>
<b>41</b> Inventory at end of year .....	<b>41</b>
<b>42</b> <b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 .....	<b>42</b>

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

**43** When did you place your vehicle in service for business purposes? (month, day, year) ▶ .....

**44** Of the total number of miles you drove your vehicle during 2015, enter the number of miles you used your vehicle for:

**a** Business ..... **b** Commuting (see instructions) ..... **c** Other .....

**45** Was your vehicle available for personal use during off-duty hours? ..... ☐ Yes ☐ No

**46** Do you (or your spouse) have another vehicle available for personal use? ..... ☐ Yes ☐ No

**47a** Do you have evidence to support your deduction? ..... ☐ Yes ☐ No

**b** If 'Yes,' is the evidence written? ..... ☐ Yes ☐ No

**Part V Other Expenses.** List below business expenses not included on lines 8-26 or line 30.

BANK CHARGES	70.
BUSINESS LICENSE	140.
DUES AND SUBSCRIPTIONS	99.
EDUCATION	17.
POSTAGE	61.
<b>48</b> <b>Total other expenses.</b> Enter here and on line 27a .....	<b>48</b> 387.

**SCHEDULE E**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

Name(s) shown on return

PAUL E AND NANCY S GRAY

**Supplemental Income and Loss**

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

► Attach to Form 1040, 1040NR, or Form 1041.

► Information about Schedule E and its separate instructions is at [www.irs.gov/schedulee](http://www.irs.gov/schedulee).

OMB No. 1545-0074

**2015**

Attachment  
Sequence No. **13**

Your social security number

**Part I** **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

- A** Did you make any payments in 2015 that would require you to file Form(s) 1099? (see instructions) ☒ Yes ☐ No  
**B** If 'Yes,' did you or will you file required Forms 1099? ☒ Yes ☐ No

<b>1 a</b>	Physical address of each property (street, city, state, ZIP code)				
<b>A</b>	795 GRIFFIN AVE, SOLDOTNA, AK 99669				
<b>B</b>					
<b>C</b>					
<b>1 b</b>	Type of Property (from list below)	<b>2</b> For each rental real estate property listed above, report the number of fair rental and personal use days. Check the <b>QJV</b> box only if you meet the requirements to file as a qualified joint venture. See instructions.	<b>Fair Rental Days</b>	<b>Personal Use Days</b>	<b>QJV</b>
<b>A</b>	2	<b>A</b>	120		
<b>B</b>		<b>B</b>			
<b>C</b>		<b>C</b>			

**Type of Property:**

- 1 Single Family Residence      3 Vacation/Short-Term Rental      5 Land      7 Self-Rental  
2 Multi-Family Residence      4 Commercial      6 Royalties      8 Other (describe)

Income:		Properties:	A	B	C
<b>3</b>	Rents received	<b>3</b>	13,571.		
<b>4</b>	Royalties received	<b>4</b>			
<b>Expenses:</b>					
<b>5</b>	Advertising	<b>5</b>			
<b>6</b>	Auto and travel (see instructions)	<b>6</b>			
<b>7</b>	Cleaning and maintenance	<b>7</b>			
<b>8</b>	Commissions	<b>8</b>			
<b>9</b>	Insurance	<b>9</b>			
<b>10</b>	Legal and other professional fees	<b>10</b>			
<b>11</b>	Management fees	<b>11</b>			
<b>12</b>	Mortgage interest paid to banks, etc (see instructions)	<b>12</b>			
<b>13</b>	Other interest	<b>13</b>			
<b>14</b>	Repairs	<b>14</b>			
<b>15</b>	Supplies	<b>15</b>			
<b>16</b>	Taxes	<b>16</b>	2,090.		
<b>17</b>	Utilities	<b>17</b>	1,778.		
<b>18</b>	Depreciation expense or depletion	<b>18</b>	456.		
<b>19</b>	Other (list) ► SEE STM 5	<b>19</b>	820.		
<b>20</b>	Total expenses. Add lines 5 through 19	<b>20</b>	5,144.		
<b>21</b>	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	<b>21</b>	8,427.		
<b>22</b>	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	<b>22</b>			
<b>23 a</b>	Total of all amounts reported on line 3 for all rental properties	<b>23 a</b>	13,571.		
<b>b</b>	Total of all amounts reported on line 4 for all royalty properties	<b>23 b</b>			
<b>c</b>	Total of all amounts reported on line 12 for all properties	<b>23 c</b>			
<b>d</b>	Total of all amounts reported on line 18 for all properties	<b>23 d</b>	456.		
<b>e</b>	Total of all amounts reported on line 20 for all properties	<b>23 e</b>	5,144.		
<b>24</b>	<b>Income.</b> Add positive amounts shown on line 21. Do not include any losses	<b>24</b>		8,427.	
<b>25</b>	<b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	<b>25</b>			
<b>26</b>	<b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2.	<b>26</b>		8,427.	

**BAA** For Paperwork Reduction Act Notice, see the separate instructions.

FDIZ2301L 07/31/15

Schedule E (Form 1040) 2015

Name(s) shown on return. Do not enter name and social security number if shown on Page 1.

Your social security number

PAUL E AND NANCY S GRAY

**Caution.** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.**Part II Income or Loss From Partnerships and S Corporations****Note:** If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column (e) on line 28 and attach **Form 6198**. See instructions.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk, excess farm loss, or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered 'Yes,' see instructions before completing this section. ☐ Yes ☒ No

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	GRAY PUBLISHING INC	S		92-0128114	
B	GRAY PUBLISHING INC	S		92-0128114	
C					
D					

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A				6,054.
B				6,054.
C				
D				
29 a Totals.....				12,108.
b Totals.....				
30 Add columns (g) and (j) of line 29a.....			30	12,108.
31 Add columns (f), (h), and (i) of line 29b.....			31	
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below.....			32	12,108.

**Part III Income or Loss From Estates and Trusts**

33	(a) Name	(b) Employer ID no.
A		
B		

Passive Income and Loss		Nonpassive Income and Loss	
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A			
B			
34 a Totals.....			
b Totals.....			
35 Add columns (d) and (f) of line 34a.....			35
36 Add columns (c) and (e) of line 34b.....			36
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below.....			37

**Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder**

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below.....				39

**Part V Summary**

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below.....	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18.....	41	20,535.
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code V; and Schedule K-1 (Form 1041), box 14, code F (see instructions).....	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules.....	43	



**Premium Tax Credit (PTC)**

OMB No. 1545-0074

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040, 1040A, or 1040NR.

▶ Information about Form 8962 and its separate instructions is at [www.irs.gov/form8962](http://www.irs.gov/form8962)**2015**Attachment  
Sequence No. **73**

Name shown on your return

Your social security number

**PAUL E AND NANCY S GRAY**You cannot claim the PTC if your filing status is married filing separately unless you are eligible for an exception (see instructions). If you qualify, check the box. ☐**Part I Annual and Monthly Contribution Amount**

<b>1</b> Tax family size. Enter the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d .....	<b>1</b>	<b>2</b>
<b>2a</b> Modified AGI. Enter your modified AGI (see instructions)..... <b>2a</b> <b>33,194.</b>	<b>2b</b> Enter the total of your dependents' modified AGI (see instructions) .....	
<b>3</b> Household income. Add the amounts on lines 2a and 2b .....	<b>3</b>	<b>33,194.</b>
<b>4</b> Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3 (see instructions). Check the appropriate box for the federal poverty table used <b>a</b> <input checked="" type="checkbox"/> Alaska <b>b</b> <input type="checkbox"/> Hawaii <b>c</b> <input type="checkbox"/> Other 48 states and DC	<b>4</b>	<b>19,660.</b>
<b>5</b> Household income as a percentage of federal poverty line (see instructions) .....	<b>5</b>	<b>168 %</b>
<b>6</b> Did you enter 401% on line 5? (See instructions if you entered less than 100%). <input checked="" type="checkbox"/> <b>No.</b> Continue to line 7. <input type="checkbox"/> <b>Yes.</b> You are not eligible to receive PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.		
<b>7</b> Applicable Figure. Using your line 5 percentage, locate your 'applicable figure' on the table in the instructions. ....	<b>7</b>	<b>0.0486</b>
<b>8a</b> Annual contribution amount. Multiply line 3 by line 7..... <b>8a</b> <b>1,613.</b>	<b>8b</b> Monthly contribution amount. Divide line 8a by 12. Round to whole dollar amount. ....	<b>134.</b>

**Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit**

- 9** Are you allocating policy amounts with another taxpayer or do you want to use the alternative calculation for year of marriage (see instructions)?  
☐ **Yes.** Skip to Part IV, Shared Policy Allocation, or Part V, Alternative Calculation for Year of Marriage. ☒ **No.** Continue to line 10.
- 10** See the instructions to determine if you can use line 11 or must complete lines 12 through 23.  
☒ **Yes.** Continue to line 11. Compute your annual PTC. Then skip lines 12-23 and continue to line 24.  
☐ **No.** Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

Annual Calculation	(a) Annual enrollment premiums (Form(s) 1095-A, line 33a)	(b) Annual applicable SLCSP premium (Form(s) 1095-A, line 33b)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Annual premium tax credit allowed (smaller of (a) or (d))	(f) Annual advance payment of PTC (Form(s) 1095-A, line 33c)
<b>11 Annual Totals</b>	<b>12,888.</b>	<b>14,436.</b>	<b>1,613.</b>	<b>12,823.</b>	<b>12,823.</b>	<b>10,320.</b>
Monthly Calculation	(a) Monthly enrollment premiums (Form(s) 1095-A, lines 21-32, column a)	(b) Monthly applicable SLCSP premium (Form(s) 1095-A, lines 21-32, column b)	(c) Monthly contribution amount (amount from line 8b or alternative marriage monthly contribution)	(d) Monthly maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Monthly premium tax credit allowed (smaller of (a) or (d))	(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21-32, column c)
<b>12 January</b>						
<b>13 February</b>						
<b>14 March</b>						
<b>15 April</b>						
<b>16 May</b>						
<b>17 June</b>						
<b>18 July</b>						
<b>19 August</b>						
<b>20 September</b>						
<b>21 October</b>						
<b>22 November</b>						
<b>23 December</b>						

<b>24</b> Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here .....	<b>24</b>	<b>12,823.</b>
<b>25</b> Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here .....	<b>25</b>	<b>10,320.</b>
<b>26</b> Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27 .....	<b>26</b>	<b>2,503.</b>

**Part III Repayment of Excess Advance Payment of the Premium Tax Credit**

<b>27</b> Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here .....	<b>27</b>	
<b>28</b> Repayment limitation (see instructions) .....	<b>28</b>	
<b>29</b> Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44 .....	<b>29</b>	

**Part IV Shared Policy Allocation**

Complete the following information for up to four shared policy allocations. See instructions for allocation details.

**Shared Policy Allocation 1**

<b>30 (a)</b> Policy Number (Form 1095-A, line 2)	<b>(b)</b> SSN of other taxpayer	<b>(c)</b> Allocation start month	<b>(d)</b> Allocation stop month
<b>Allocation percentage applied to monthly amounts</b>	<b>(e)</b> Premium Percentage	<b>(f)</b> SLCSP Percentage	<b>(g)</b> Advance Payment of the PTC Percentage

**Shared Policy Allocation 2**

<b>31 (a)</b> Policy Number (Form 1095-A, line 2)	<b>(b)</b> SSN of other taxpayer	<b>(c)</b> Allocation start month	<b>(d)</b> Allocation stop month
<b>Allocation percentage applied to monthly amounts</b>	<b>(e)</b> Premium Percentage	<b>(f)</b> SLCSP Percentage	<b>(g)</b> Advance Payment of the PTC Percentage

**Shared Policy Allocation 3**

<b>32 (a)</b> Policy Number (Form 1095-A, line 2)	<b>(b)</b> SSN of other taxpayer	<b>(c)</b> Allocation start month	<b>(d)</b> Allocation stop month
<b>Allocation percentage applied to monthly amounts</b>	<b>(e)</b> Premium Percentage	<b>(f)</b> SLCSP Percentage	<b>(g)</b> Advance Payment of the PTC Percentage

**Shared Policy Allocation 4**

<b>33 (a)</b> Policy Number (Form 1095-A, line 2)	<b>(b)</b> SSN of other taxpayer	<b>(c)</b> Allocation start month	<b>(d)</b> Allocation stop month
<b>Allocation percentage applied to monthly amounts</b>	<b>(e)</b> Premium Percentage	<b>(f)</b> SLCSP Percentage	<b>(g)</b> Advance Payment of the PTC Percentage

**34** Have you completed shared policy allocation information for all allocated Forms 1095-A?

☐ **Yes.** Multiply the amounts on Form 1095-A by the allocation percentages entered by policy. Add allocated amounts across all allocated policies with amounts for non-allocated policies from Forms 1095-A, if any, to compute a combined total for each month. Enter the combined total for each month on lines 12-23, columns (a), (b), and (f). Compute the amounts for lines 12-23, columns (c)-(e), and continue to line 24.

☐ **No.** See the instructions to report additional shared policy allocations.

**Part V Alternative Calculation for Year of Marriage**

Complete line(s) 35 and/or 36 to elect the alternative calculation for year of marriage. For eligibility to make the election, see the instructions for line 9. To complete line(s) 35 and/or 36 and compute the amounts for lines 12-23, see the instructions for this Part V.

<b>35</b> <b>Alternative entries for your SSN</b>	<b>(a)</b> Alternative family size	<b>(b)</b> Monthly contribution	<b>(c)</b> Alternative start month	<b>(d)</b> Alternative stop month
<b>36</b> <b>Alternative entries for your spouse's SSN</b>	<b>(a)</b> Alternative family size	<b>(b)</b> Monthly contribution	<b>(c)</b> Alternative start month	<b>(d)</b> Alternative stop month

PAUL E AND NANCY S GRAY

**STATEMENT 1  
SCHEDULE A, LINE 1  
MEDICAL AND DENTAL EXPENSES**

INSURANCE PREMIUMS FROM FORM 1095-A.....	\$	65.
INSURANCE PREMIUMS FROM SE HEALTH.....		1,259.
TOTAL	\$	<u>1,324.</u>

**STATEMENT 2  
SCHEDULE A, LINE 6  
REAL ESTATE TAXES**

.....	\$	1,402.
PROPERTY HELD FOR INVESTMENT.....		463.
TOTAL	\$	<u>1,865.</u>

**STATEMENT 3  
SCHEDULE A, LINE 10  
HOME MORTGAGE INTEREST REPORTED ON FORM 1098**

KEY BANK.....	\$	1,179.
TOTAL	\$	<u>1,179.</u>

**STATEMENT 4  
SCHEDULE A, LINE 16  
CONTRIBUTIONS BY CASH OR CHECK**

CHARITABLE CONTRIBUTIONS FROM K-1.....	\$	160.
TOTAL	\$	<u>160.</u>

**STATEMENT 5  
SCHEDULE E, LINE 19 - 795 GRIFFIN AVE  
OTHER RENTAL AND ROYALTY EXPENSES**

AUTO MILEAGE.....	\$	230.
BANK FEES.....		32.
TELEPHONE.....		558.
TOTAL	\$	<u>820.</u>

12/31/15

## 2015 FEDERAL DEPRECIATION SCHEDULE

PAGE 1

PAUL E AND NANCY S GRAY

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
SCHEDULE C - FUTURE FACE																
1	EQUIPMENT	2/01/97		3,405							3,405	3,405	200DB HY	5		0
	TOTAL			3,405		0	0	0	0	0	3,405	3,405				0
	TOTAL DEPRECIATION			3,405		0	0	0	0	0	3,405	3,405				0
SCHEDULE E - KENAI RIVER CONDO																
2	HOUSE 50% USAGE	11/01/87		60,000							60,000	56,687	S/L MM	27.5		0
3	WASHER	9/08/00		509							509	509	200DB HY	5		0
4	2 FREEZERS	6/01/02		2,394				718			1,676	1,676	200DB HY	5		0
5	HOT TUB	6/25/06		4,295							4,295	4,295	200DB HY	5		0
6	BOILER	4/10/13		9,500	50.00			2,375			2,375	1,235	200DB HY	5	.19200	456
	TOTAL			76,698		0	0	3,093	0	0	68,855	64,402				456
	TOTAL DEPRECIATION			76,698		0	0	3,093	0	0	68,855	64,402				456
	GRAND TOTAL DEPRECIATION			80,103		0	0	3,093	0	0	72,260	67,807				456

PAUL E AND NANCY S GRAY

	2015	2014	DIFF
<b>INCOME</b>			
INTEREST INCOME.....	15	14	1
BUSINESS INCOME.....	-234	4,055	-4,289
RENT, ROYALTY, PARTNERSHIP, SCORP, TRUST	20,535	35,659	-15,124
TAXABLE SOCIAL SECURITY BENEFITS.....	0	6,183	-6,183
OTHER INCOME.....	4,144	3,768	376
TOTAL INCOME.....	24,460	49,679	-25,219
<b>ADJUSTMENTS TO INCOME</b>			
DEDUCTIBLE PART OF SELF-EMPLOYMENT TAX...	0	287	-287
SELF-EMPLOYED HEALTH INSURANCE.....	0	1,259	-1,259
TOTAL ADJUSTMENTS.....	0	1,546	-1,546
ADJUSTED GROSS INCOME.....	24,460	48,133	-23,673
<b>ITEMIZED DEDUCTIONS</b>			
MEDICAL & DENTAL.....	0	5,258	-5,258
TAXES.....	2,573	2,807	-234
INTEREST.....	1,179	1,356	-177
CONTRIBUTIONS.....	160	150	10
TOTAL ITEMIZED DEDUCTIONS.....	3,912	9,571	-5,659
<b>TAX COMPUTATION</b>			
STANDARD DEDUCTION.....	13,850	13,600	250
LARGER OF ITEMIZED OR STANDARD DEDUCTION	13,850	13,600	250
INCOME PRIOR TO EXEMPTION DEDUCTION.....	10,610	34,533	-23,923
EXEMPTION DEDUCTION.....	8,000	7,900	100
TAXABLE INCOME.....	2,610	26,633	-24,023
TAX BEFORE CREDITS.....	261	3,086	-2,825
<b>CREDITS</b>			
TOTAL CREDITS.....	0	0	0
TAX AFTER CREDITS.....	261	3,086	-2,825
<b>OTHER TAXES</b>			
SELF-EMPLOYMENT TAX.....	0	573	-573
TOTAL TAX.....	261	3,659	-3,398
<b>PAYMENTS</b>			
NET PREMIUM TAX CREDIT.....	2,503	0	2,503
TOTAL PAYMENTS.....	2,503	0	2,503
<b>REFUND OR AMOUNT DUE</b>			
AMOUNT OVERPAID.....	2,242	0	2,242
UNDERPAYMENT PENALTY.....	0	66	-66
LATE PAYMENT PENALTY.....	0	110	-110
INTEREST.....	0	55	-55
AMOUNT REFUNDED TO YOU.....	2,242	0	2,242
AMOUNT YOU OWE.....	0	3,890	-3,890
<b>TAX RATES</b>			
MARGINAL TAX RATE.....	10.0%	15.0%	-5.0%
EFFECTIVE TAX RATE.....	10.0%	13.7%	-3.7%

For calendar year 2015 or tax year beginning , 2015, ending ,

<b>A</b> S election effective date 4/28/1989	<b>TYPE OR PRINT</b>	GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669	<b>D</b> Employer identification number 92-0128114
<b>B</b> Business activity code number (see instrs) 713900			<b>E</b> Date incorporated 3/22/1989
<b>C</b> Check if Schedule M-3 attached <input type="checkbox"/>			<b>F</b> Total assets (see instructions) \$ 24,853.

**G** Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

**H** Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change  
(4) ☐ Amended return (5) ☐ S election termination or revocation

**I** Enter the number of shareholders who were shareholders during any part of the tax year. . . . . ▶ 2

**Caution.** Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

<b>INCOME</b>	<b>1 a</b> Gross receipts or sales. . . . .	<b>1 a</b> 47,406.		
	<b>b</b> Returns and allowances. . . . .	<b>1 b</b>		
	<b>c</b> Balance. Subtract line 1b from line 1a. . . . .		<b>1 c</b> 47,406.	
	<b>2</b> Cost of goods sold (attach Form 1125-A). . . . .		<b>2</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c. . . . .		<b>3</b> 47,406.	
	<b>4</b> Net gain (loss) from Form 4797, line 17 (attach Form 4797). . . . .		<b>4</b>	
<b>DEDUCTIONS</b>	<b>5</b> Other income (loss) (see instrs — att statement). . . . .		<b>5</b>	
	<b>6</b> <b>Total income (loss).</b> Add lines 3 through 5. . . . . ▶		<b>6</b> 47,406.	
	<b>7</b> Compensation of officers (see instructions - attach Form 1125-E). . . . .		<b>7</b>	
	<b>8</b> Salaries and wages (less employment credits). . . . .		<b>8</b>	
	<b>9</b> Repairs and maintenance. . . . .		<b>9</b>	
	<b>10</b> Bad debts. . . . .		<b>10</b>	
	<b>11</b> Rents. . . . .		<b>11</b>	
	<b>12</b> Taxes and licenses. . . . .		<b>12</b> 325.	
	<b>13</b> Interest. . . . .		<b>13</b> 2,281.	
	<b>14</b> Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562). . . . .		<b>14</b>	
	<b>15</b> Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .		<b>15</b>	
<b>TAX AND PAYMENTS</b>	<b>16</b> Advertising. . . . .		<b>16</b>	
	<b>17</b> Pension, profit-sharing, etc, plans. . . . .		<b>17</b>	
	<b>18</b> Employee benefit programs. . . . .		<b>18</b>	
	<b>19</b> Other deductions (attach statement). . . . . SEE STATEMENT 1		<b>19</b> 32,692.	
	<b>20</b> <b>Total deductions.</b> Add lines 7 through 19. . . . . ▶		<b>20</b> 35,298.	
	<b>21</b> <b>Ordinary business income (loss).</b> Subtract line 20 from line 6. . . . .		<b>21</b> 12,108.	
	<b>22 a</b> Excess net passive income or LIFO recapture tax (see instructions). . . . .	<b>22 a</b>	<b>22 c</b>	
	<b>b</b> Tax from Schedule D (Form 1120S). . . . .	<b>22 b</b>		
	<b>c</b> Add lines 22a and 22b (see instructions for additional taxes). . . . .			
		<b>23 a</b> 2015 estimated tax payments and 2014 overpayment credited to 2015. . . . .	<b>23 a</b>	<b>23 d</b>
		<b>b</b> Tax deposited with Form 7004. . . . .	<b>23 b</b>	
<b>c</b> Credit for federal tax paid on fuels (attach Form 4136). . . . .		<b>23 c</b>		
<b>d</b> Add lines 23a through 23c. . . . .				
	<b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached. . . . . ▶ <input type="checkbox"/>		<b>24</b>	
	<b>25</b> <b>Amount owed.</b> If line 23d is smaller than the total of lines 22c and 24, enter amount owed. . . . .		<b>25</b> 0.	
	<b>26</b> <b>Overpayment.</b> If line 23d is larger than the total of lines 22c and 24, enter amount overpaid. . . . .		<b>26</b>	
	<b>27</b> Enter amount from line 26 <b>Credited to 2015 estimated tax</b> ▶ <b>Refunded</b> ▶ <b>27</b>			

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ Title **PRESIDENT**

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

**Paid Preparer Use Only**

Print/Type preparer's name: **GEORGE W STEIN CPA** Preparer's signature: **GEORGE W STEIN CPA** Date: \_\_\_\_\_ Check ☐ if self-employed PTIN: **P00544611**

Firm's name: ▶ **LAMBE, TUTER, WAGNER CPA'S, APC** Firm's EIN: ▶ **92-0115580**

Firm's address: ▶ **189 S. BINKLEY STE 201** Phone no. **(907) 262-9123**

**SOLDOTNA, AK 99669**

<b>Schedule B Other Information</b> (see instructions)					<b>Yes</b>	<b>No</b>
1 Check accounting method: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input checked="" type="checkbox"/> Other (specify) ▶ <u>HYBRID ACCTG</u>						
2 See the instructions and enter the: a Business activity ▶ <u>PRODUCTION</u> b Product or service... ▶ <u>VIDEO &amp; TV PROGRAMS</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation.....						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?..... If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock..... ▶						
(ii) Total shares of non-restricted stock..... ▶						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?..... If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year..... ▶						
(ii) Total shares of stock outstanding if all instruments were executed..... ▶						
6 Has this corporation filed, or is it required to file, <b>Form 8918</b> , Material Advisor Disclosure Statement, to provide information on any reportable transaction?.....						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount..... ▶ <input type="checkbox"/> If checked, the corporation may have to file <b>Form 8281</b> , Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions)..... ▶ \$						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year..... \$						
10 Does the corporation satisfy <b>both</b> of the following conditions? a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.....						
b The corporation's total assets at the end of the tax year were less than \$250,000..... If "Yes," the corporation is not required to complete Schedules L and M-1.					X	
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?..... If "Yes," enter the amount of principal reduction \$						X
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.....						X
13a Did the corporation make any payments in 2015 that would require it to file Form(s) 1099?.....					X	
b If "Yes," did the corporation file or will it file required Forms 1099?.....					X	

Form 1120S (2015)

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21).....	1	12,108.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	
	3a Other gross rental income (loss).....	3a	
	b Expenses from other rental activities (attach statement).....	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a.....	3c	
	4 Interest income.....	4	
	5 Dividends: a Ordinary dividends.....	5a	
	b Qualified dividends.....	5b	
	6 Royalties.....	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).....	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).....	8a	
	b Collectibles (28%) gain (loss).....	8b	
	c Unrecaptured section 1250 gain (attach statement).....	8c	
	9 Net section 1231 gain (loss) (attach Form 4797).....	9	
10 Other income (loss) (see instructions)..... Type ▶	10		
Credits	11 Section 179 deduction (attach Form 4562).....	11	
	12a Charitable contributions..... SEE STATEMENT 2	12a	160.
	b Investment interest expense.....	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
Foreign Transactions	d Other deductions (see instructions)..... Type ▶	12d	
	13a Low-income housing credit (section 42(j)(5)).....	13a	
	b Low-income housing credit (other).....	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable).....	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478).....	13f	
g Other credits (see instructions)..... Type ▶	13g		
Alternative Minimum Tax (AMT) Items	14a Name of country or U.S. possession.....	14a	
	b Gross income from all sources.....	14b	
	c Gross income sourced at shareholder level.....	14c	
	Foreign gross income sourced at corporate level.....		
	d Passive category.....	14d	
	e General category.....	14e	
	f Other (attach statement).....	14f	
	Deductions allocated and apportioned at shareholder level.....		
	g Interest expense.....	14g	
	h Other.....	14h	
	Deductions allocated and apportioned at corporate level to foreign source income.....		
	i Passive category.....	14i	
	j General category.....	14j	
	k Other (attach statement).....	14k	
Other information.....			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	14l		
m Reduction in taxes available for credit (attach statement).....	14m		
n Other foreign tax information (attach statement).....			
Items Affecting Shareholder Basis	15a Post-1986 depreciation adjustment.....	15a	
	b Adjusted gain or loss.....	15b	
	c Depletion (other than oil and gas).....	15c	
	d Oil, gas, and geothermal properties — gross income.....	15d	
	e Oil, gas, and geothermal properties — deductions.....	15e	
	f Other AMT items (attach statement).....	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income.....	16a	
	b Other tax-exempt income.....	16b	
	c Nondeductible expenses.....	16c	1,602.
	d Distributions (attach stmt if required) (see instrs).....	16d	13,166.
	e Repayment of loans from shareholders.....	16e	



<b>Schedule K Shareholders' Pro Rata Share Items</b> (continued)		<b>Total amount</b>	
<b>Other Information</b>	<b>17 a</b> Investment income .....	<b>17 a</b>	
	<b>b</b> Investment expenses .....	<b>17 b</b>	
	<b>c</b> Dividend distributions paid from accumulated earnings and profits .....	<b>17 c</b>	
	<b>d</b> Other items and amounts (attach statement)		
<b>Reconciliation</b>	<b>18 Income/loss reconciliation.</b> Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l .....	<b>18</b>	11,948.

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
<b>Assets</b>		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Cash .....		8,251.		6,717.
2 a	Trade notes and accounts receivable .....				
b	Less allowance for bad debts .....				
3	Inventories .....				
4	U.S. government obligations .....				
5	Tax-exempt securities (see instructions) ....				
6	Other current assets (attach stmt) .....				
7	Loans to shareholders .....				18,136.
8	Mortgage and real estate loans .....				
9	Other investments (attach statement) .....				
10 a	Buildings and other depreciable assets .....	25,132.		25,132.	
b	Less accumulated depreciation .....	25,132.		25,132.	
11 a	Depletable assets .....				
b	Less accumulated depletion .....				
12	Land (net of any amortization) .....				
13 a	Intangible assets (amortizable only) .....				
b	Less accumulated amortization .....				
14	Other assets (attach stmt) .....				
15	Total assets .....		8,251.		24,853.
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable .....				
17	Mortgages, notes, bonds payable in less than 1 year ....				
18	Other current liabilities (attach stmt) . . . SEE ST. 3.		5,429.		24,850.
19	Loans from shareholders .....				
20	Mortgages, notes, bonds payable in 1 year or more .....				
21	Other liabilities (attach statement) . . . SEE ST. 4.		2.		3.
22	Capital stock .....				
23	Additional paid-in capital .....				
24	Retained earnings .....		2,820.		
25	Adjustments to shareholders' equity (att stmt) .....				
26	Less cost of treasury stock .....				
27	Total liabilities and shareholders' equity .....		8,251.		24,853.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return****Note.** The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books.....	10,346.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest. \$ .....	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a	Depreciation..... \$ .....		a	Depreciation ... \$ .....	
b	Travel and entertainment. \$ .....	1,602.	7	Add lines 5 and 6.....	0.
4	Add lines 1 through 3.....	11,948.	8	Income (loss) (Schedule K, ln 18). Ln 4 less ln 7...	11,948.

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed** (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year.....	2,820.		
2 Ordinary income from page 1, line 21.....	12,108.		
3 Other additions.....			
4 Loss from page 1, line 21.....			
5 Other reductions..... SEE STATEMENT 5	( 1,762.)		
6 Combine lines 1 through 5.....	13,166.		
7 Distributions other than dividend distributions.....	13,166.		
8 Balance at end of tax year. Subtract line 7 from line 6.....	0.		

SPSA0134L 08/13/15

Form 1120S (2015)

**Schedule K-1**  
**(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2015**

For calendar year 2015, or tax  
year beginning \_\_\_\_\_, 2015  
ending \_\_\_\_\_,

☐ Final K-1

☐ Amended K-1

671113  
OMB No. 1545-0123

**Shareholder's Share of Income, Deductions, Credits, etc.** ▶ See page 2 of form and separate instructions.

<b>Part I Information About the Corporation</b>	
<b>A</b>	Corporation's employer identification number 92-0128114
<b>B</b>	Corporation's name, address, city, state, and ZIP code GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669
<b>C</b>	IRS Center where corporation filed return E-FILE
<b>Part II Information About the Shareholder</b>	
<b>D</b>	Shareholder's identifying number [REDACTED]
<b>E</b>	Shareholder's name, address, city, state, and ZIP code NANCY GRAY 35555 KENAI SPUR HWY, PMB #232 SOLDOTNA, AK 99669
<b>F</b>	Shareholder's percentage of stock ownership for tax year. .... 50 %
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: 10px; top: 50%; font-weight: bold;">FOR IRS USE ONLY</div>	

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
<b>1</b>	Ordinary business income (loss) 6,054.	<b>13</b>	Credits
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
		C	801.
<b>12</b>	Other deductions		
A	80.	D	6,583.
		<b>17</b>	Other information
*See attached statement for additional information.			

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2015

SHAREHOLDER 1

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
<b>1 Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
Passive loss		See the Shareholder's Instructions
Passive income		Schedule E, line 28, column (g)
Nonpassive loss		Schedule E, line 28, column (h)
Nonpassive income		Schedule E, line 28, column (j)
<b>2 Net rental real estate income (loss)</b>		See the Shareholder's Instructions
<b>3 Other net rental income (loss)</b>		
Net income		Schedule E, line 28, column (g)
Net loss		See the Shareholder's Instructions
<b>4 Interest income</b>		Form 1040, line 8a
<b>5 a Ordinary dividends</b>		Form 1040, line 9a
<b>5 b Qualified dividends</b>		Form 1040, line 9b
<b>6 Royalties</b>		Schedule E, line 4
<b>7 Net short-term capital gain (loss)</b>		Schedule D, line 5
<b>8 a Net long-term capital gain (loss)</b>		Schedule D, line 12
<b>8 b Collectibles (28%) gain (loss)</b>		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
<b>8 c Unrecaptured section 1250 gain</b>		See the Shareholder's Instructions
<b>9 Net section 1231 gain (loss)</b>		See the Shareholder's Instructions
<b>10 Other income (loss)</b>		
<i>Code</i>		
<b>A</b> Other portfolio income (loss)		See the Shareholder's Instructions
<b>B</b> Involuntary conversions		See the Shareholder's Instructions
<b>C</b> Sec. 1256 contracts and straddles		Form 6781, line 1
<b>D</b> Mining exploration costs recapture		See Pub 535
<b>E</b> Other income (loss)		See the Shareholder's Instructions
<b>11 Section 179 deduction</b>		See the Shareholder's Instructions
<b>12 Other deductions</b>		
<b>A</b> Cash contributions (50%)		See the Shareholder's Instructions
<b>B</b> Cash contributions (30%)		
<b>C</b> Noncash contributions (50%)		
<b>D</b> Noncash contributions (30%)		
<b>E</b> Capital gain property to a 50% organization (30%)		
<b>F</b> Capital gain property (20%)		
<b>G</b> Contributions (100%)		
<b>H</b> Investment interest expense		Form 4952, line 1
<b>I</b> Deductions — royalty income		Schedule E, line 19
<b>J</b> Section 59(e)(2) expenditures		See the Shareholder's Instructions
<b>K</b> Deductions — portfolio (2% floor)		Schedule A, line 23
<b>L</b> Deductions — portfolio (other)		Schedule A, line 28
<b>M</b> Preproductive period expenses		See the Shareholder's Instructions
<b>N</b> Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
<b>O</b> Reforestation expense deduction		See the Shareholder's Instructions
<b>P</b> Domestic production activities information		See Form 8903 instructions
<b>Q</b> Qualified production activities income		Form 8903, line 7b
<b>R</b> Employer's Form W-2 wages		Form 8903, line 17
<b>S</b> Other deductions		See the Shareholder's Instructions
<b>13 Credits</b>		
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings		See the Shareholder's Instructions
<b>B</b> Low-income housing credit (other) from pre-2008 buildings		
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
<b>D</b> Low-income housing credit (other) from post-2007 buildings		
<b>E</b> Qualified rehabilitation expenditures (rental real estate)		
<b>F</b> Other rental real estate credits		
<b>G</b> Other rental credits		
<b>H</b> Undistributed capital gains credit		Form 1040, line 73, box a
<b>I</b> Biofuel producer credit		See the Shareholder's Instructions
<b>J</b> Work opportunity credit		
<b>K</b> Disabled access credit		
<b>L</b> Empowerment zone employment credit		
<b>M</b> Credit for increasing research activities		
<b>14 Foreign transactions</b>		
<b>A</b> Name of country or U.S. possession		See the Shareholder's Instructions
<b>B</b> Gross income from all sources		
<b>C</b> Gross income sourced at shareholder level		
<i>Foreign gross income sourced at corporate level</i>		
<b>D</b> Passive category		Form 1116, Part I
<b>E</b> General category		
<b>F</b> Other		
<i>Deductions allocated and apportioned at shareholder level</i>		
<b>G</b> Interest expense		Form 1116, Part I
<b>H</b> Other		Form 1116, Part I
<i>Deductions allocated and apportioned at corporate level to foreign source income</i>		
<b>I</b> Passive category		Form 1116, Part I
<b>J</b> General category		
<b>K</b> Other		
<i>Other information</i>		
<b>L</b> Total foreign taxes paid		Form 1116, Part II
<b>M</b> Total foreign taxes accrued		Form 1116, Part II
<b>N</b> Reduction in taxes available for credit		Form 1116, line 12
<b>O</b> Foreign trading gross receipts		Form 8873
<b>P</b> Extraterritorial income exclusion		Form 8873
<b>Q</b> Other foreign transactions		See the Shareholder's Instructions
<b>15 Alternative minimum tax (AMT) items</b>		
<b>A</b> Post-1986 depreciation adjustment		See the Shareholder's Instructions and the Instructions for Form 6251
<b>B</b> Adjusted gain or loss		
<b>C</b> Depletion (other than oil & gas)		
<b>D</b> Oil, gas, & geothermal — gross income		
<b>E</b> Oil, gas, & geothermal — deductions		
<b>F</b> Other AMT items		
<b>16 Items affecting shareholder basis</b>		
<b>A</b> Tax-exempt interest income		Form 1040, line 8b
<b>B</b> Other tax-exempt income		See the Shareholder's Instructions
<b>C</b> Nondeductible expenses		
<b>D</b> Distributions		
<b>E</b> Repayment of loans from shareholders		
<b>17 Other information</b>		
<b>A</b> Investment income		Form 4952, line 4a
<b>B</b> Investment expenses		Form 4952, line 5
<b>C</b> Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
<b>D</b> Basis of energy property		See the Shareholder's Instructions
<b>E</b> Recapture of low-income housing credit (section 42(j)(5))		Form 8611, line 8
<b>F</b> Recapture of low-income housing credit (other)		Form 8611, line 8
<b>G</b> Recapture of investment credit		See Form 4255
<b>H</b> Recapture of other credits		See the Shareholder's Instructions
<b>I</b> Look-back interest — completed long-term contracts		See Form 8697
<b>J</b> Look-back interest — income forecast method		See Form 8866
<b>K</b> Dispositions of property with section 179 deductions		See the Shareholder's Instructions
<b>L</b> Recapture of section 179 deduction		
<b>M</b> Section 453(l)(3) information		
<b>N</b> Section 453A(c) information		
<b>O</b> Section 1260(b) information		
<b>P</b> Interest allocable to production expenditures		
<b>Q</b> CCF nonqualified withdrawals		
<b>R</b> Depletion information — oil and gas		
<b>S</b> Reserved		
<b>T</b> Section 108(i) information		
<b>U</b> Net investment income		
<b>V</b> Other information		

**Schedule K-1**  
**(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2015**

For calendar year 2015, or tax  
year beginning \_\_\_\_\_, 2015  
ending \_\_\_\_\_,

☐ Final K-1

☐ Amended K-1

671113  
OMB No. 1545-0123

**Shareholder's Share of Income, Deductions, Credits, etc.** ▶ See page 2 of form and separate instructions.

<b>Part I Information About the Corporation</b>	
<b>A</b>	Corporation's employer identification number 92-0128114
<b>B</b>	Corporation's name, address, city, state, and ZIP code GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669
<b>C</b>	IRS Center where corporation filed return E-FILE
<b>Part II Information About the Shareholder</b>	
<b>D</b>	Shareholder's identifying number [REDACTED]
<b>E</b>	Shareholder's name, address, city, state, and ZIP code PAUL GRAY 35555 KENAI SPUR HWY, PMB #232 SOLDOTNA, AK 99669
<b>F</b>	Shareholder's percentage of stock ownership for tax year. .... 50 %
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: 10px; top: 50%; font-weight: bold;">FOR IRS USE ONLY</div>	

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
<b>1</b>	Ordinary business income (loss) 6,054.	<b>13</b>	Credits
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
		C	801.
<b>12</b>	Other deductions		
A	80.	D	6,583.
		<b>17</b>	Other information
*See attached statement for additional information.			

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:	Code	Report on
Passive loss Passive income Nonpassive loss Nonpassive income	<b>N</b> Credit for employer social security and Medicare taxes <b>O</b> Backup withholding <b>P</b> Other credits	See the Shareholder's Instructions
<b>2 Net rental real estate income (loss)</b>		See the Shareholder's Instructions
<b>3 Other net rental income (loss)</b>		See the Shareholder's Instructions
Net income		Schedule E, line 28, column (g)
Net loss		See the Shareholder's Instructions
<b>4 Interest income</b>		Form 1040, line 8a
<b>5 a Ordinary dividends</b>		Form 1040, line 9a
<b>5 b Qualified dividends</b>		Form 1040, line 9b
<b>6 Royalties</b>		Schedule E, line 4
<b>7 Net short-term capital gain (loss)</b>		Schedule D, line 5
<b>8 a Net long-term capital gain (loss)</b>		Schedule D, line 12
<b>8 b Collectibles (28%) gain (loss)</b>		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
<b>8 c Unrecaptured section 1250 gain</b>		See the Shareholder's Instructions
<b>9 Net section 1231 gain (loss)</b>		See the Shareholder's Instructions
<b>10 Other income (loss)</b>		See the Shareholder's Instructions
<b>Code</b>		
<b>A</b> Other portfolio income (loss)		See the Shareholder's Instructions
<b>B</b> Involuntary conversions		See the Shareholder's Instructions
<b>C</b> Sec. 1256 contracts and straddles		Form 6781, line 1
<b>D</b> Mining exploration costs recapture		See Pub 535
<b>E</b> Other income (loss)		See the Shareholder's Instructions
<b>11 Section 179 deduction</b>		See the Shareholder's Instructions
<b>12 Other deductions</b>		See the Shareholder's Instructions
<b>A</b> Cash contributions (50%)		
<b>B</b> Cash contributions (30%)		
<b>C</b> Noncash contributions (50%)		
<b>D</b> Noncash contributions (30%)		
<b>E</b> Capital gain property to a 50% organization (30%)		
<b>F</b> Capital gain property (20%)		
<b>G</b> Contributions (100%)		
<b>H</b> Investment interest expense		Form 4952, line 1
<b>I</b> Deductions — royalty income		Schedule E, line 19
<b>J</b> Section 59(e)(2) expenditures		See the Shareholder's Instructions
<b>K</b> Deductions — portfolio (2% floor)		Schedule A, line 23
<b>L</b> Deductions — portfolio (other)		Schedule A, line 28
<b>M</b> Preproductive period expenses		See the Shareholder's Instructions
<b>N</b> Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
<b>O</b> Reforestation expense deduction		See the Shareholder's Instructions
<b>P</b> Domestic production activities information		See Form 8903 instructions
<b>Q</b> Qualified production activities income		Form 8903, line 7b
<b>R</b> Employer's Form W-2 wages		Form 8903, line 17
<b>S</b> Other deductions		See the Shareholder's Instructions
<b>13 Credits</b>		See the Shareholder's Instructions
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings		
<b>B</b> Low-income housing credit (other) from pre-2008 buildings		
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
<b>D</b> Low-income housing credit (other) from post-2007 buildings		
<b>E</b> Qualified rehabilitation expenditures (rental real estate)		
<b>F</b> Other rental real estate credits		
<b>G</b> Other rental credits		
<b>H</b> Undistributed capital gains credit		Form 1040, line 73, box a
<b>I</b> Biofuel producer credit		
<b>J</b> Work opportunity credit		
<b>K</b> Disabled access credit		
<b>L</b> Empowerment zone employment credit		
<b>M</b> Credit for increasing research activities		
<b>14 Foreign transactions</b>		
<b>A</b> Name of country or U.S. possession		
<b>B</b> Gross income from all sources		Form 1116, Part I
<b>C</b> Gross income sourced at shareholder level		
<i>Foreign gross income sourced at corporate level</i>		
<b>D</b> Passive category		
<b>E</b> General category		Form 1116, Part I
<b>F</b> Other		
<i>Deductions allocated and apportioned at shareholder level</i>		
<b>G</b> Interest expense		Form 1116, Part I
<b>H</b> Other		Form 1116, Part I
<i>Deductions allocated and apportioned at corporate level to foreign source income</i>		
<b>I</b> Passive category		
<b>J</b> General category		Form 1116, Part I
<b>K</b> Other		
<i>Other information</i>		
<b>L</b> Total foreign taxes paid		Form 1116, Part II
<b>M</b> Total foreign taxes accrued		Form 1116, Part II
<b>N</b> Reduction in taxes available for credit		Form 1116, line 12
<b>O</b> Foreign trading gross receipts		Form 8873
<b>P</b> Extraterritorial income exclusion		Form 8873
<b>Q</b> Other foreign transactions		See the Shareholder's Instructions
<b>15 Alternative minimum tax (AMT) items</b>		
<b>A</b> Post-1986 depreciation adjustment		
<b>B</b> Adjusted gain or loss		
<b>C</b> Depletion (other than oil & gas)		
<b>D</b> Oil, gas, & geothermal — gross income		See the Shareholder's Instructions and the Instructions for Form 6251
<b>E</b> Oil, gas, & geothermal — deductions		
<b>F</b> Other AMT items		
<b>16 Items affecting shareholder basis</b>		
<b>A</b> Tax-exempt interest income		Form 1040, line 8b
<b>B</b> Other tax-exempt income		
<b>C</b> Nondeductible expenses		See the Shareholder's Instructions
<b>D</b> Distributions		
<b>E</b> Repayment of loans from shareholders		
<b>17 Other information</b>		
<b>A</b> Investment income		Form 4952, line 4a
<b>B</b> Investment expenses		Form 4952, line 5
<b>C</b> Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
<b>D</b> Basis of energy property		See the Shareholder's Instructions
<b>E</b> Recapture of low-income housing credit (section 42(j)(5))		Form 8611, line 8
<b>F</b> Recapture of low-income housing credit (other)		Form 8611, line 8
<b>G</b> Recapture of investment credit		See Form 4255
<b>H</b> Recapture of other credits		See the Shareholder's Instructions
<b>I</b> Look-back interest — completed long-term contracts		See Form 8697
<b>J</b> Look-back interest — income forecast method		See Form 8866
<b>K</b> Dispositions of property with section 179 deductions		
<b>L</b> Recapture of section 179 deduction		
<b>M</b> Section 453(l)(3) information		
<b>N</b> Section 453A(c) information		
<b>O</b> Section 1260(b) information		
<b>P</b> Interest allocable to production expenditures		See the Shareholder's Instructions
<b>Q</b> CCF nonqualified withdrawals		
<b>R</b> Depletion information — oil and gas		
<b>S</b> Reserved		
<b>T</b> Section 108(i) information		
<b>U</b> Net investment income		
<b>V</b> Other information		

GRAY PUBLISHING INC

92-0128114

**STATEMENT 1**  
**FORM 1120S, LINE 19**  
**OTHER DEDUCTIONS**

AUTO AND TRUCK EXPENSE .....	\$	2,405.
BANK CHARGES.....		638.
DUES AND SUBSCRIPTIONS.....		701.
INSURANCE.....		2,780.
LEGAL AND PROFESSIONAL.....		6,918.
MEALS AND ENTERTAINMENT EXPENSE.....		1,603.
OFFICE EXPENSE.....		82.
POSTAGE.....		554.
SECURITY.....		292.
SUPPLIES.....		11,439.
TELEPHONE.....		2,633.
TRAVEL.....		2,647.
TOTAL	\$	<u>32,692.</u>

**STATEMENT 2**  
**FORM 1120S, SCHEDULE K, LINE 12A**  
**CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION.....	\$	160.
TOTAL	\$	<u>160.</u>

**STATEMENT 3**  
**FORM 1120S, SCHEDULE L, LINE 18**  
**OTHER CURRENT LIABILITIES**

	BEGINNING	ENDING
.....	\$ 5,429.	\$ 24,850.
TOTAL	<u>\$ 5,429.</u>	<u>\$ 24,850.</u>

**STATEMENT 4**  
**FORM 1120S, SCHEDULE L, LINE 21**  
**OTHER LIABILITIES**

	BEGINNING	ENDING
ROUNDING.....	\$ 2.	\$ 3.
TOTAL	<u>\$ 2.</u>	<u>\$ 3.</u>

**STATEMENT 5**  
**FORM 1120S, SCHEDULE M-2, COLUMN A, LINE 5**  
**OTHER REDUCTIONS**

CONTRIBUTIONS.....	\$	160.
DISALLOWED MEALS AND ENTERTAINMENT.....		1,602.
TOTAL	\$	<u>1,762.</u>

GRAY PUBLISHING INC

92-0128114

**SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION**

THE CORPORATION HEREBY MAKES THE DE MINIMIS SAFE HARBOR ELECTION UNDER REGULATION 1.263(A)-1(F) .

GRAY PUBLISHING INC  
35555 KENAI SPUR HWY, PMB 232  
SOLDOTNA, AK 99669  
92-0128114



12/31/15

## 2015 FEDERAL DEPRECIATION SCHEDULE

PAGE 1

GRAY PUBLISHING INC

92-0128114

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.	
FORM 1120S																	
1	FULLY DEPRECIATED-PRIOR	VARIOUS		18,398							18,398	18,398	200DB HY	5		0	
2	PRODUCTION EQUIPMENT	3/21/05		1,054				1,054			0		200DB HY	5		0	
3	PRODUCTION EQUIPMENT	8/17/05		542				542			0		200DB HY	5		0	
4	FURNITURE	7/24/05		548				548			0		200DB HY	7		0	
5	MISC EQUIPMENT	5/10/07		1,294							1,294	1,294	200DB HY	5		0	
6	COMPUTER EQUIPMENT	8/01/14		3,296				3,296			0		200DB HY	5		0	
TOTAL				25,132		0	0	5,440	0	0	19,692	19,692					0
TOTAL DEPRECIATION				25,132		0	0	5,440	0	0	19,692	19,692					0
GRAND TOTAL DEPRECIATION				25,132		0	0	5,440	0	0	19,692	19,692					0

Form <b>1120S</b> <small>Department of the Treasury Internal Revenue Service</small>	<b>U.S. Income Tax Return for an S Corporation</b> ▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. ▶ Information about Form 1120S and its separate instructions is at <a href="http://www.irs.gov/form1120s">www.irs.gov/form1120s</a> .	OMB No. 1545-0123  <div style="font-size: 2em; font-weight: bold;">2014</div>
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For calendar year 2014 or tax year beginning \_\_\_\_\_, 2014, ending \_\_\_\_\_,

<b>A</b> S election effective date 4/28/1989	<b>TYPE OR PRINT</b>	GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669	<b>D</b> Employer identification number 92-0128114
<b>B</b> Business activity code number (see instrs) 713900			<b>E</b> Date incorporated 3/22/1989
<b>C</b> Check if Schedule M-3 attached <input type="checkbox"/>			<b>F</b> Total assets (see instructions) \$ 8,251.

**G** Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

**H** Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change  
 (4) ☐ Amended return (5) ☐ S election termination or revocation

**I** Enter the number of shareholders who were shareholders during any part of the tax year. ▶ 2

**Caution.** Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

<b>I N C O M E</b>	1 a Gross receipts or sales. . . . .	1 a	88,051.		
	b Returns and allowances. . . . .	1 b			
	c Balance. Subtract line 1b from line 1a. . . . .	1 c	88,051.		
	2 Cost of goods sold (attach Form 1125-A). . . . .	2			
	3 Gross profit. Subtract line 2 from line 1c. . . . .	3	88,051.		
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797). . . . .	4			
	5 Other income (loss) (see instrs — att statement). . . . .	5			
	6 <b>Total income (loss).</b> Add lines 3 through 5. . . . . ▶	6	88,051.		
<b>D E D U C T I O N S  S E E  I N S T R S</b>	7 Compensation of officers (see instructions - attach Form 1125-E). . . . .	7			
	8 Salaries and wages (less employment credits). . . . .	8			
	9 Repairs and maintenance. . . . .	9	1,309.		
	10 Bad debts. . . . .	10			
	11 Rents. . . . .	11			
	12 Taxes and licenses. . . . .	12			
	13 Interest. . . . .	13	1,472.		
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562). . . . .	14			
	15 Depletion ( <b>Do not deduct oil and gas depletion.</b> ) . . . . .	15			
	16 Advertising. . . . .	16			
	17 Pension, profit-sharing, etc, plans. . . . .	17			
18 Employee benefit programs. . . . .	18				
19 Other deductions (attach statement). . . . . SEE STATEMENT 1	19	48,950.			
20 <b>Total deductions.</b> Add lines 7 through 19. . . . . ▶	20	51,731.			
21 <b>Ordinary business income (loss).</b> Subtract line 20 from line 6. . . . .	21	36,320.			
<b>T A X  A N D  P A Y M E N T S</b>	22a Excess net passive income or LIFO recapture tax (see instructions). . . . .	22a			
	b Tax from Schedule D (Form 1120S). . . . .	22b			
	c Add lines 22a and 22b (see instructions for additional taxes). . . . .	22c			
	23a 2014 estimated tax payments and 2013 overpayment credited to 2014. . . . .	23a			
	b Tax deposited with Form 7004. . . . .	23b			
	c Credit for federal tax paid on fuels (attach Form 4136). . . . .	23c			
	d Add lines 23a through 23c. . . . .	23d			
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached. . . . . ▶ <input type="checkbox"/>	24			
	25 <b>Amount owed.</b> If line 23d is smaller than the total of lines 22c and 24, enter amount owed. . . . .	25	0.		
	26 <b>Overpayment.</b> If line 23d is larger than the total of lines 22c and 24, enter amount overpaid. . . . .	26			
27 Enter amount from line 26 <b>Credited to 2015 estimated tax</b> ▶ <b>Refunded</b> ▶	27				

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer _____	Date _____	Title _____

May the IRS discuss this return with the preparer shown below (see instructions)?  
☒ Yes ☐ No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name GEORGE W STEIN CPA	Preparer's signature GEORGE W STEIN CPA	Date	Check <input type="checkbox"/> if self-employed	PTIN P00544611
	Firm's name ▶ LAMBE, TUTER, WAGNER CPA'S, APC	Firm's EIN ▶ 92-0115580			
	Firm's address ▶ 189 S. BINKLEY STE 201 SOLDOTNA, AK 99669	Phone no. (907) 262-9123			

<b>Schedule B Other Information</b> (see instructions)					<b>Yes</b>	<b>No</b>
1 Check accounting method: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input checked="" type="checkbox"/> Other (specify) ▶ <u>HYBRID ACCTG</u>						
2 See the instructions and enter the: a Business activity ▶ <u>PRODUCTION</u> b Product or service... ▶ <u>VIDEO &amp; TV PROGRAMS</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation.....						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?..... If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock..... ▶						
(ii) Total shares of non-restricted stock..... ▶						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?..... If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year..... ▶						
(ii) Total shares of stock outstanding if all instruments were executed..... ▶						
6 Has this corporation filed, or is it required to file, <b>Form 8918</b> , Material Advisor Disclosure Statement, to provide information on any reportable transaction?.....						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount..... ▶ <input type="checkbox"/> If checked, the corporation may have to file <b>Form 8281</b> , Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions)..... ▶ \$						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year..... \$						
10 Does the corporation satisfy <b>both</b> of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.....					X	
b The corporation's total assets at the end of the tax year were less than \$250,000..... If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?..... If "Yes," enter the amount of principal reduction \$						X
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.....						X
13a Did the corporation make any payments in 2014 that would require it to file Form(s) 1099?.....					X	
b If "Yes," did the corporation file or will it file required Forms 1099?.....					X	

Form 1120S (2014)

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21) .....	1	36,320.
	2 Net rental real estate income (loss) (attach Form 8825) .....	2	
	3a Other gross rental income (loss) .....	3a	
	b Expenses from other rental activities (attach statement) .....	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a .....	3c	
	4 Interest income .....	4	
	5 Dividends: a Ordinary dividends .....	5a	
	b Qualified dividends .....	5b	
	6 Royalties .....	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) .....	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) .....	8a	
	b Collectibles (28%) gain (loss) .....	8b	
	c Unrecaptured section 1250 gain (attach statement) .....	8c	
	9 Net section 1231 gain (loss) (attach Form 4797) .....	9	
	10 Other income (loss) (see instructions) .....	10	
Credits	11 Section 179 deduction (attach Form 4562) .....	11	3,296.
	12a Charitable contributions .....	12a	150.
	b Investment interest expense .....	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ .....	12c (2)	
Foreign Transactions	d Other deductions (see instructions) .. Type ▶ .....	12d	
	13a Low-income housing credit (section 42(j)(5)) .....	13a	
	b Low-income housing credit (other) .....	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) .....	13c	
	d Other rental real estate credits (see instrs) Type ▶ .....	13d	
	e Other rental credits (see instrs) Type ▶ .....	13e	
	f Biofuel producer credit (attach Form 6478) .....	13f	
Alternative Minimum Tax (AMT) Items	g Other credits (see instructions) .. Type ▶ .....	13g	
	14a Name of country or U.S. possession ▶ .....	14a	
	b Gross income from all sources .....	14b	
	c Gross income sourced at shareholder level .....	14c	
	Foreign gross income sourced at corporate level .....		
	d Passive category .....	14d	
	e General category .....	14e	
	f Other (attach statement) .....	14f	
	Deductions allocated and apportioned at shareholder level .....		
	g Interest expense .....	14g	
	h Other .....	14h	
	Deductions allocated and apportioned at corporate level to foreign source income .....		
	i Passive category .....	14i	
	j General category .....	14j	
	k Other (attach statement) .....	14k	
Items Affecting Shareholder Basis	Other information .....		
	l Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued .....	14l	
	m Reduction in taxes available for credit (attach statement) .....	14m	
	n Other foreign tax information (attach statement) .....		
	15a Post-1986 depreciation adjustment .....	15a	
Items Affecting Shareholder Basis	b Adjusted gain or loss .....	15b	
	c Depletion (other than oil and gas) .....	15c	
	d Oil, gas, and geothermal properties — gross income .....	15d	
	e Oil, gas, and geothermal properties — deductions .....	15e	
	f Other AMT items (attach statement) .....	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income .....	16a	
	b Other tax-exempt income .....	16b	
	c Nondeductible expenses .....	16c	1,775.
	d Distributions (attach stmt if required) (see instrs) .....	16d	36,371.
	e Repayment of loans from shareholders .....	16e	

<b>Schedule K Shareholders' Pro Rata Share Items</b> (continued)		<b>Total amount</b>	
<b>Other Information</b>	<b>17 a</b> Investment income .....	<b>17 a</b>	
	<b>b</b> Investment expenses .....	<b>17 b</b>	
	<b>c</b> Dividend distributions paid from accumulated earnings and profits .....	<b>17 c</b>	
	<b>d</b> Other items and amounts (attach statement)		
<b>Reconciliation</b>	<b>18 Income/loss reconciliation.</b> Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l .....	<b>18</b>	32,874.

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
<b>Assets</b>		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<b>1</b> Cash .....			8,094.		8,251.
<b>2 a</b> Trade notes and accounts receivable .....					
<b>b</b> Less allowance for bad debts .....					
<b>3</b> Inventories .....					
<b>4</b> U.S. government obligations .....					
<b>5</b> Tax-exempt securities (see instructions) .....					
<b>6</b> Other current assets (attach stmt) .....					
<b>7</b> Loans to shareholders .....					
<b>8</b> Mortgage and real estate loans .....					
<b>9</b> Other investments (attach statement) .....					
<b>10 a</b> Buildings and other depreciable assets .....	21,836.			25,132.	
<b>b</b> Less accumulated depreciation .....	21,836.			25,132.	
<b>11 a</b> Depletable assets .....					
<b>b</b> Less accumulated depletion .....					
<b>12</b> Land (net of any amortization) .....					
<b>13 a</b> Intangible assets (amortizable only) .....					
<b>b</b> Less accumulated amortization .....					
<b>14</b> Other assets (attach stmt) .....					
<b>15</b> Total assets .....			8,094.		8,251.
<b>Liabilities and Shareholders' Equity</b>					
<b>16</b> Accounts payable .....					
<b>17</b> Mortgages, notes, bonds payable in less than 1 year .....					
<b>18</b> Other current liabilities (attach stmt) . . . SEE ST. 3.					5,429.
<b>19</b> Loans from shareholders .....					
<b>20</b> Mortgages, notes, bonds payable in 1 year or more .....					
<b>21</b> Other liabilities (attach statement) . . . SEE ST. 4.			2.		2.
<b>22</b> Capital stock .....					
<b>23</b> Additional paid-in capital .....					
<b>24</b> Retained earnings .....			8,092.		2,820.
<b>25</b> Adjustments to shareholders' equity (att stmt) .....					
<b>26</b> Less cost of treasury stock .....					
<b>27</b> Total liabilities and shareholders' equity .....			8,094.		8,251.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return****Note.** The corporation may be required to file Schedule M-3 (see instructions)

<b>1</b> Net income (loss) per books.....	31,099.	<b>5</b> Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
<b>2</b> Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		<b>a</b> Tax-exempt interest. \$ .....	
<b>3</b> Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):		<b>6</b> Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
<b>a</b> Depreciation..... \$ .....		<b>a</b> Depreciation ... \$ .....	
<b>b</b> Travel and entertainment. \$ .....	1,775.	<b>7</b> Add lines 5 and 6.....	0.
<b>4</b> Add lines 1 through 3.....	32,874.	<b>8</b> Income (loss) (Schedule K, ln 18). Ln 4 less ln 7...	32,874.

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed** (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
<b>1</b> Balance at beginning of tax year.....	8,092.		
<b>2</b> Ordinary income from page 1, line 21.....	36,320.		
<b>3</b> Other additions.....			
<b>4</b> Loss from page 1, line 21.....			
<b>5</b> Other reductions..... SEE STATEMENT 5	( 5,221.)		
<b>6</b> Combine lines 1 through 5.....	39,191.		
<b>7</b> Distributions other than dividend distributions.....	36,371.		
<b>8</b> Balance at end of tax year. Subtract line 7 from line 6.....	2,820.		

SPSA0134L 12/23/14

Form 1120S (2014)

**Schedule K-1**  
**(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2014**

For calendar year 2014, or tax  
year beginning \_\_\_\_\_, 2014  
ending \_\_\_\_\_,

☐ Final K-1

☐ Amended K-1

671113  
OMB No. 1545-0123

**Shareholder's Share of Income, Deductions, Credits, etc** ▶ See page 2 of form and separate instructions.

<b>Part I Information About the Corporation</b>	
<b>A</b>	Corporation's employer identification number 92-0128114
<b>B</b>	Corporation's name, address, city, state, and ZIP code GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669
<b>C</b>	IRS Center where corporation filed return OGDEN, UT
<b>Part II Information About the Shareholder</b>	
<b>D</b>	Shareholder's identifying number [REDACTED]
<b>E</b>	Shareholder's name, address, city, state, and ZIP code NANCY GRAY 35555 KENAI SPUR HWY, PMB #232 SOLDOTNA, AK 99669
<b>F</b>	Shareholder's percentage of stock ownership for tax year. .... 50 %
FOR IRS USE ONLY	

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
<b>1</b>	Ordinary business income (loss) 18,160.	<b>13</b>	Credits
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction 1,648.	<b>16</b>	Items affecting shareholder basis
<b>12</b>	Other deductions A 75.	C	888.
		D	18,186.
		<b>17</b>	Other information
*See attached statement for additional information.			

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2014

SHAREHOLDER 1

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
<b>1 Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
Passive loss		See the Shareholder's Instructions
Passive income		Schedule E, line 28, column (g)
Nonpassive loss		Schedule E, line 28, column (h)
Nonpassive income		Schedule E, line 28, column (j)
<b>2 Net rental real estate income (loss)</b>		See the Shareholder's Instructions
<b>3 Other net rental income (loss)</b>		
Net income		Schedule E, line 28, column (g)
Net loss		See the Shareholder's Instructions
<b>4 Interest income</b>		Form 1040, line 8a
<b>5 a Ordinary dividends</b>		Form 1040, line 9a
<b>5 b Qualified dividends</b>		Form 1040, line 9b
<b>6 Royalties</b>		Schedule E, line 4
<b>7 Net short-term capital gain (loss)</b>		Schedule D, line 5
<b>8 a Net long-term capital gain (loss)</b>		Schedule D, line 12
<b>8 b Collectibles (28%) gain (loss)</b>		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
<b>8 c Unrecaptured section 1250 gain</b>		See the Shareholder's Instructions
<b>9 Net section 1231 gain (loss)</b>		See the Shareholder's Instructions
<b>10 Other income (loss)</b>		
<i>Code</i>		
<b>A</b> Other portfolio income (loss)		See the Shareholder's Instructions
<b>B</b> Involuntary conversions		See the Shareholder's Instructions
<b>C</b> Sec. 1256 contracts and straddles		Form 6781, line 1
<b>D</b> Mining exploration costs recapture		See Pub 535
<b>E</b> Other income (loss)		See the Shareholder's Instructions
<b>11 Section 179 deduction</b>		See the Shareholder's Instructions
<b>12 Other deductions</b>		
<b>A</b> Cash contributions (50%)		See the Shareholder's Instructions
<b>B</b> Cash contributions (30%)		
<b>C</b> Noncash contributions (50%)		
<b>D</b> Noncash contributions (30%)		
<b>E</b> Capital gain property to a 50% organization (30%)		
<b>F</b> Capital gain property (20%)		
<b>G</b> Contributions (100%)		
<b>H</b> Investment interest expense		Form 4952, line 1
<b>I</b> Deductions — royalty income		Schedule E, line 19
<b>J</b> Section 59(e)(2) expenditures		See the Shareholder's Instructions
<b>K</b> Deductions — portfolio (2% floor)		Schedule A, line 23
<b>L</b> Deductions — portfolio (other)		Schedule A, line 28
<b>M</b> Preproductive period expenses		See the Shareholder's Instructions
<b>N</b> Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
<b>O</b> Reforestation expense deduction		See the Shareholder's Instructions
<b>P</b> Domestic production activities information		See Form 8903 instructions
<b>Q</b> Qualified production activities income		Form 8903, line 7b
<b>R</b> Employer's Form W-2 wages		Form 8903, line 17
<b>S</b> Other deductions		See the Shareholder's Instructions
<b>13 Credits</b>		
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings		See the Shareholder's Instructions
<b>B</b> Low-income housing credit (other) from pre-2008 buildings		
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
<b>D</b> Low-income housing credit (other) from post-2007 buildings		
<b>E</b> Qualified rehabilitation expenditures (rental real estate)		
<b>F</b> Other rental real estate credits		
<b>G</b> Other rental credits		
<b>H</b> Undistributed capital gains credit		Form 1040, line 73, box a
<b>I</b> Biofuel producer credit		See the Shareholder's Instructions
<b>J</b> Work opportunity credit		
<b>K</b> Disabled access credit		
<b>L</b> Empowerment zone employment credit		
<b>M</b> Credit for increasing research activities		
<b>14 Foreign transactions</b>		
<b>A</b> Name of country or U.S. possession		See the Shareholder's Instructions
<b>B</b> Gross income from all sources		
<b>C</b> Gross income sourced at shareholder level		
<i>Foreign gross income sourced at corporate level</i>		
<b>D</b> Passive category		Form 1116, Part I
<b>E</b> General category		
<b>F</b> Other		
<i>Deductions allocated and apportioned at shareholder level</i>		
<b>G</b> Interest expense		Form 1116, Part I
<b>H</b> Other		Form 1116, Part I
<i>Deductions allocated and apportioned at corporate level to foreign source income</i>		
<b>I</b> Passive category		Form 1116, Part I
<b>J</b> General category		
<b>K</b> Other		
<i>Other information</i>		
<b>L</b> Total foreign taxes paid		Form 1116, Part II
<b>M</b> Total foreign taxes accrued		Form 1116, Part II
<b>N</b> Reduction in taxes available for credit		Form 1116, line 12
<b>O</b> Foreign trading gross receipts		Form 8873
<b>P</b> Extraterritorial income exclusion		Form 8873
<b>Q</b> Other foreign transactions		See the Shareholder's Instructions
<b>15 Alternative minimum tax (AMT) items</b>		
<b>A</b> Post-1986 depreciation adjustment		See the Shareholder's Instructions and the Instructions for Form 6251
<b>B</b> Adjusted gain or loss		
<b>C</b> Depletion (other than oil & gas)		
<b>D</b> Oil, gas, & geothermal — gross income		
<b>E</b> Oil, gas, & geothermal — deductions		
<b>F</b> Other AMT items		
<b>16 Items affecting shareholder basis</b>		
<b>A</b> Tax-exempt interest income		Form 1040, line 8b
<b>B</b> Other tax-exempt income		See the Shareholder's Instructions
<b>C</b> Nondeductible expenses		
<b>D</b> Distributions		
<b>E</b> Repayment of loans from shareholders		
<b>17 Other information</b>		
<b>A</b> Investment income		Form 4952, line 4a
<b>B</b> Investment expenses		Form 4952, line 5
<b>C</b> Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
<b>D</b> Basis of energy property		See the Shareholder's Instructions
<b>E</b> Recapture of low-income housing credit (section 42(j)(5))		Form 8611, line 8
<b>F</b> Recapture of low-income housing credit (other)		Form 8611, line 8
<b>G</b> Recapture of investment credit		See Form 4255
<b>H</b> Recapture of other credits		See the Shareholder's Instructions
<b>I</b> Look-back interest — completed long-term contracts		See Form 8697
<b>J</b> Look-back interest — income forecast method		See Form 8866
<b>K</b> Dispositions of property with section 179 deductions		See the Shareholder's Instructions
<b>L</b> Recapture of section 179 deduction		
<b>M</b> Section 453(l)(3) information		
<b>N</b> Section 453A(c) information		
<b>O</b> Section 1260(b) information		
<b>P</b> Interest allocable to production expenditures		
<b>Q</b> CCF nonqualified withdrawals		
<b>R</b> Depletion information — oil and gas		
<b>S</b> Reserved		
<b>T</b> Section 108(i) information		
<b>U</b> Net investment income		
<b>V</b> Other information		



**Schedule K-1**  
**(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2014**

For calendar year 2014, or tax  
year beginning \_\_\_\_\_, 2014  
ending \_\_\_\_\_,

☐ Final K-1

☐ Amended K-1

671113  
OMB No. 1545-0123

**Shareholder's Share of Income, Deductions, Credits, etc** ▶ See page 2 of form and separate instructions.

<b>Part I Information About the Corporation</b>	
<b>A</b>	Corporation's employer identification number 92-0128114
<b>B</b>	Corporation's name, address, city, state, and ZIP code GRAY PUBLISHING INC 35555 KENAI SPUR HWY, PMB 232 SOLDOTNA, AK 99669
<b>C</b>	IRS Center where corporation filed return OGDEN, UT
<b>Part II Information About the Shareholder</b>	
<b>D</b>	Shareholder's identifying number [REDACTED]
<b>E</b>	Shareholder's name, address, city, state, and ZIP code PAUL GRAY 35555 KENAI SPUR HWY, PMB #232 SOLDOTNA, AK 99669
<b>F</b>	Shareholder's percentage of stock ownership for tax year. .... 50 %
FOR USE ONLY	

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
<b>1</b>	Ordinary business income (loss) 18,160.	<b>13</b>	Credits
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction 1,648.	<b>16</b>	Items affecting shareholder basis
		<b>C</b>	887.
<b>12</b>	Other deductions A 75.	<b>D</b>	18,185.
		<b>17</b>	Other information
*See attached statement for additional information.			

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

<b>1</b>	<b>Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
	Passive loss	See the Shareholder's Instructions	
	Passive income	Schedule E, line 28, column (g)	
	Nonpassive loss	Schedule E, line 28, column (h)	
	Nonpassive income	Schedule E, line 28, column (j)	
<b>2</b>	<b>Net rental real estate income (loss)</b>	See the Shareholder's Instructions	
<b>3</b>	<b>Other net rental income (loss)</b>		
	Net income	Schedule E, line 28, column (g)	
	Net loss	See the Shareholder's Instructions	
<b>4</b>	<b>Interest income</b>	Form 1040, line 8a	
<b>5 a</b>	<b>Ordinary dividends</b>	Form 1040, line 9a	
<b>5 b</b>	<b>Qualified dividends</b>	Form 1040, line 9b	
<b>6</b>	<b>Royalties</b>	Schedule E, line 4	
<b>7</b>	<b>Net short-term capital gain (loss)</b>	Schedule D, line 5	
<b>8 a</b>	<b>Net long-term capital gain (loss)</b>	Schedule D, line 12	
<b>8 b</b>	<b>Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D instructions)	
<b>8 c</b>	<b>Unrecaptured section 1250 gain</b>	See the Shareholder's Instructions	
<b>9</b>	<b>Net section 1231 gain (loss)</b>	See the Shareholder's Instructions	
<b>10</b>	<b>Other income (loss)</b>		
	<i>Code</i>		
	<b>A</b> Other portfolio income (loss)	See the Shareholder's Instructions	
	<b>B</b> Involuntary conversions	See the Shareholder's Instructions	
	<b>C</b> Sec. 1256 contracts and straddles	Form 6781, line 1	
	<b>D</b> Mining exploration costs recapture	See Pub 535	
	<b>E</b> Other income (loss)	See the Shareholder's Instructions	
<b>11</b>	<b>Section 179 deduction</b>	See the Shareholder's Instructions	
<b>12</b>	<b>Other deductions</b>		
	<b>A</b> Cash contributions (50%)	See the Shareholder's Instructions	
	<b>B</b> Cash contributions (30%)		
	<b>C</b> Noncash contributions (50%)		
	<b>D</b> Noncash contributions (30%)		
	<b>E</b> Capital gain property to a 50% organization (30%)		
	<b>F</b> Capital gain property (20%)		
	<b>G</b> Contributions (100%)		
	<b>H</b> Investment interest expense	Form 4952, line 1	
	<b>I</b> Deductions — royalty income	Schedule E, line 19	
	<b>J</b> Section 59(e)(2) expenditures	See the Shareholder's Instructions	
	<b>K</b> Deductions — portfolio (2% floor)	Schedule A, line 23	
	<b>L</b> Deductions — portfolio (other)	Schedule A, line 28	
	<b>M</b> Preproductive period expenses	See the Shareholder's Instructions	
	<b>N</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions	
	<b>O</b> Reforestation expense deduction	See the Shareholder's Instructions	
	<b>P</b> Domestic production activities information	See Form 8903 instructions	
	<b>Q</b> Qualified production activities income	Form 8903, line 7b	
	<b>R</b> Employer's Form W-2 wages	Form 8903, line 17	
	<b>S</b> Other deductions	See the Shareholder's Instructions	
<b>13</b>	<b>Credits</b>		
	<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Shareholder's Instructions	
	<b>B</b> Low-income housing credit (other) from pre-2008 buildings		
	<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
	<b>D</b> Low-income housing credit (other) from post-2007 buildings		
	<b>E</b> Qualified rehabilitation expenditures (rental real estate)		
	<b>F</b> Other rental real estate credits		
	<b>G</b> Other rental credits		
	<b>H</b> Undistributed capital gains credit	Form 1040, line 73, box a	
	<b>I</b> Biofuel producer credit	See the Shareholder's Instructions	
	<b>J</b> Work opportunity credit		
	<b>K</b> Disabled access credit		
	<b>L</b> Empowerment zone employment credit		
	<b>M</b> Credit for increasing research activities		

		<i>Report on</i>	
<b>N</b>	Credit for employer social security and Medicare taxes	See the Shareholder's Instructions	
<b>O</b>	Backup withholding		
<b>P</b>	Other credits		
<b>14</b>	<b>Foreign transactions</b>		
	<b>A</b> Name of country or U.S. possession	Form 1116, Part I	
	<b>B</b> Gross income from all sources		
	<b>C</b> Gross income sourced at shareholder level		
	<i>Foreign gross income sourced at corporate level</i>		
	<b>D</b> Passive category	Form 1116, Part I	
	<b>E</b> General category		
	<b>F</b> Other		
	<i>Deductions allocated and apportioned at shareholder level</i>		
	<b>G</b> Interest expense	Form 1116, Part I	
	<b>H</b> Other	Form 1116, Part I	
	<i>Deductions allocated and apportioned at corporate level to foreign source income</i>		
	<b>I</b> Passive category	Form 1116, Part I	
	<b>J</b> General category		
	<b>K</b> Other		
	<i>Other information</i>		
	<b>L</b> Total foreign taxes paid	Form 1116, Part II	
	<b>M</b> Total foreign taxes accrued	Form 1116, Part II	
	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12	
	<b>O</b> Foreign trading gross receipts	Form 8873	
	<b>P</b> Extraterritorial income exclusion	Form 8873	
	<b>Q</b> Other foreign transactions	See the Shareholder's Instructions	
<b>15</b>	<b>Alternative minimum tax (AMT) items</b>		
	<b>A</b> Post-1986 depreciation adjustment	See the Shareholder's Instructions and the Instructions for Form 6251	
	<b>B</b> Adjusted gain or loss		
	<b>C</b> Depletion (other than oil & gas)		
	<b>D</b> Oil, gas, & geothermal — gross income		
	<b>E</b> Oil, gas, & geothermal — deductions		
	<b>F</b> Other AMT items		
<b>16</b>	<b>Items affecting shareholder basis</b>		
	<b>A</b> Tax-exempt interest income	Form 1040, line 8b	
	<b>B</b> Other tax-exempt income	See the Shareholder's Instructions	
	<b>C</b> Nondeductible expenses		
	<b>D</b> Distributions		
	<b>E</b> Repayment of loans from shareholders		
<b>17</b>	<b>Other information</b>		
	<b>A</b> Investment income	Form 4952, line 4a	
	<b>B</b> Investment expenses	Form 4952, line 5	
	<b>C</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Shareholder's Instructions	
	<b>D</b> Basis of energy property	See the Shareholder's Instructions	
	<b>E</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8	
	<b>F</b> Recapture of low-income housing credit (other)	Form 8611, line 8	
	<b>G</b> Recapture of investment credit	See Form 4255	
	<b>H</b> Recapture of other credits	See the Shareholder's Instructions	
	<b>I</b> Look-back interest — completed long-term contracts	See Form 8697	
	<b>J</b> Look-back interest — income forecast method	See Form 8866	
	<b>K</b> Dispositions of property with section 179 deductions	See the Shareholder's Instructions	
	<b>L</b> Recapture of section 179 deduction		
	<b>M</b> Section 453(l)(3) information		
	<b>N</b> Section 453A(c) information		
	<b>O</b> Section 1260(b) information		
	<b>P</b> Interest allocable to production expenditures		
	<b>Q</b> CCF nonqualified withdrawals		
	<b>R</b> Depletion information — oil and gas		
	<b>S</b> Reserved		
	<b>T</b> Section 108(i) information		
	<b>U</b> Net investment income		
	<b>V</b> Other information		

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
**(Including Information on Listed Property)**

► Attach to your tax return.

► Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

OMB No. 1545-0172

**2014**Attachment  
Sequence No. **179**

Name(s) shown on return

GRAY PUBLISHING INC

Business or activity to which this form relates

FORM 1120S

Identifying number

92-0128114

**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions) .....	1	500,000.
2	Total cost of section 179 property placed in service (see instructions) .....	2	3,296.
3	Threshold cost of section 179 property before reduction in limitation (see instructions) .....	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions .....	5	500,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	5-YEAR COMPUTER EQUIPMENT	3,296.	3,296.
7	Listed property. Enter the amount from line 29 .....	7	0.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 .....	8	3,296.
9	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8 .....	9	3,296.
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562 .....	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	36,320.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	12	3,296.
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12. ....	13	0.

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) .....	14	
15	Property subject to section 168(f)(1) election .....	15	
16	Other depreciation (including ACRS) .....	16	

**Part III MACRS Depreciation (Do not include listed property.)** (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2014 .....	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. ....		<input type="checkbox"/>

**Section B — Assets Placed in Service During 2014 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property .....						
b 5-year property .....						
c 7-year property .....						
d 10-year property .....						
e 15-year property .....						
f 20-year property .....						
g 25-year property .....			25 yrs		S/L	
h Residential rental property .....			27.5 yrs	MM	S/L	
i Nonresidential real property .....			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

**Section C — Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System**

20 a Class life .....					S/L	
b 12-year .....			12 yrs		S/L	
c 40-year .....			40 yrs	MM	S/L	

**Part IV Summary** (See instructions.)

21	Listed property. Enter amount from line 28 .....	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions .....	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs .....	23	

**BAA For Paperwork Reduction Act Notice, see separate instructions.**

FDIZ0812L 06/24/14

Form **4562** (2014)

GRAY PUBLISHING INC

92-0128114

**STATEMENT 1**  
**FORM 1120S, LINE 19**  
**OTHER DEDUCTIONS**

AUTO AND TRUCK EXPENSE .....	\$	3,788.
BANK CHARGES .....		380.
CONTRACT LABOR .....		6,516.
DUES AND SUBSCRIPTIONS .....		876.
INSURANCE .....		4,298.
LEGAL AND PROFESSIONAL .....		2,419.
MEALS AND ENTERTAINMENT EXPENSE .....		1,775.
OFFICE EXPENSE .....		371.
POSTAGE .....		821.
PRODUCTION/AIR TIME/RESEARCH .....		6,422.
SECURITY .....		318.
SEMINARS/EDUCATION .....		82.
SUPPLIES .....		14,926.
TELEPHONE .....		2,088.
TRAVEL .....		3,369.
UTILITIES .....		501.
	TOTAL \$	<u><u>48,950.</u></u>

**STATEMENT 2**  
**FORM 1120S, SCHEDULE K, LINE 12A**  
**CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION .....	\$	150.
	TOTAL \$	<u><u>150.</u></u>

**STATEMENT 3**  
**FORM 1120S, SCHEDULE L, LINE 18**  
**OTHER CURRENT LIABILITIES**

	BEGINNING	ENDING
CREDIT CARDS PAY .....	\$ 0.	\$ 5,429.
	TOTAL \$	<u><u>5,429.</u></u>

**STATEMENT 4**  
**FORM 1120S, SCHEDULE L, LINE 21**  
**OTHER LIABILITIES**

	BEGINNING	ENDING
ROUNDING .....	\$ 2.	\$ 2.
	TOTAL \$	<u><u>2.</u></u>

GRAY PUBLISHING INC

92-0128114

STATEMENT 5  
FORM 1120S, SCHEDULE M-2, COLUMN A, LINE 5  
OTHER REDUCTIONS

CONTRIBUTIONS.....	\$	150.
DISALLOWED MEALS AND ENTERTAINMENT.....		1,775.
SECTION 179 EXPENSE.....		3,296.
TOTAL	\$	<u>5,221.</u>

**SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION**

THE CORPORATION HEREBY MAKES THE DE MINIMIS SAFE HARBOR ELECTION UNDER REGULATION 1.263(A)-1(F) .

GRAY PUBLISHING INC  
35555 KENAI SPUR HWY, PMB 232  
SOLDOTNA, AK 99669  
92-0128114

12/31/14

## 2014 FEDERAL DEPRECIATION SCHEDULE

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GRAY PUBLISHING INC

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.	
FORM 1120S																	
1	FULLY DEPRECIATED-PRIOR	VARIOUS		18,398							18,398	18,398	200DB HY	5		0	
2	PRODUCTION EQUIPMENT	3/21/05		1,054				1,054			0		200DB HY	5		0	
3	PRODUCTION EQUIPMENT	8/17/05		542				542			0		200DB HY	5		0	
4	FURNITURE	7/24/05		548				548			0		200DB HY	7		0	
5	MISC EQUIPMENT	5/10/07		1,294							1,294	1,294	200DB HY	5		0	
6	COMPUTER EQUIPMENT	8/01/14		3,296		3,296					0		200DB HY	5		0	
TOTAL				25,132		3,296	0	2,144	0	0	19,692	19,692					0
TOTAL DEPRECIATION				25,132		3,296	0	2,144	0	0	19,692	19,692					0
GRAND TOTAL DEPRECIATION				25,132		3,296	0	2,144	0	0	19,692	19,692					0

- Video programming distributor assistance. Verify that you have sought assistance (such as funding or services) from your video programming distributor(s) specifically for the provision of closed captioning on your programming. A distributor is any TV broadcast station, cable provider, or satellite system that shows your program(s). State whether you have asked your distributor(s) to help you provide captions, whether this request was accepted or rejected, and, if accepted, describe the assistance that each distributor has offered to provide.

**The request to provide provisions was declined by the broadcaster.**

**From:** Scott Centers <[scenters@youralaskalink.com](mailto:scenters@youralaskalink.com)>  
**Subject:** RE: provisions for closed captioning my show  
**Date:** January 11, 2017 at 7:49:15 PM AKST  
**To:** 'Paul Gray' <[aknativevoices@icloud.com](mailto:aknativevoices@icloud.com)>

Paul,  
No.  
You will need to find another source.  
Also, we will not broadcast without a waiver.  
Thanks  
Scott

**Scott Centers**  
**Chief Operations Officer**  
**Coastal Television**  
**Anchorage, Alaska**  
[scenters@youralaskalink.com](mailto:scenters@youralaskalink.com)  
**907-444-6461**

**From:** Paul Gray [<mailto:aknativevoices@icloud.com>]  
**Sent:** Wednesday, January 11, 2017 1:14 PM  
**To:** [scenters@youralaskalink.com](mailto:scenters@youralaskalink.com)  
**Subject:** provisions for closed captioning my show

Hi Scott,  
  
I hope this winter is going well for you.  
  
I am checking to see if there are any provisions for closed captioning my show.  
  
Chin'an (Thank You)



Paul Gray  
(907) 953-9289  
[paul@exploringalaska.com](mailto:paul@exploringalaska.com)  
[www.exploringalaska.com](http://www.exploringalaska.com)



- Additional sponsorships. Verify that you have sought additional sponsorships (other than from your program distributor) or other sources of revenue specifically for the provision of closed captioning on your programming. State your efforts to obtain such revenue, and whether these requests were accepted or rejected. If rejected, state whether you do not otherwise have the means to provide captioning. If accepted, describe the assistance that each sponsor has offered to provide. If your organization is precluded from seeking outside assistance or you cannot solicit and/or accept such sponsorships, provide the reason why you are unable to do so.

**I have sought from sponsors to provide provisions and was declined by Sweeney's Clothing - my only sponsor.**

- Your type of operations. Describe your overall operations.

**I am 63 years old, a single person operation, with no employees, I live in Soldotna Alaska population about 4,000 people, in rural area without hi-speed internet. I film and edit all my shows by myself. My shows are mailed to or driven (150 miles) to Anchorage.**

- Affidavit or declaration. Your submission must contain a detailed, full showing, supported by a signed and sworn affidavit or signed declaration made under penalty of perjury attesting to the truthfulness and accuracy of the information and representations contained in your submission. The affidavit or declaration must be dated. An affidavit is a written statement made under oath, before an official who is authorized to administer oaths, such as a notary public or county clerk. A declaration is a written statement made under penalty of perjury, such as "I declare under penalty of perjury that the information contained in this submission is true and correct." (See 47 C.F.R. § 1.16.)

You may also provide other information that you deem relevant to our determination of your exemption request pertaining to the impact that captioning will have on your program or programming activities and any available alternatives that might constitute a reasonable substitute for the closed captioning requirements including, but not limited to, text or graphic display of the content of the audio portion of the programming.

**The impact of captioning my program and any alternative substitutes; i.e.; text, graphics, etc. would be a hardship beyond my ability to produce my show, which is an unscripted cultural show about Alaska's indigenous people.**

**Also the total revenues I received for this show is only \$200 dollars a week. I think it's unfair to evaluate my shows financials, when comparing it to my Corporation, where I have other resources which aren't related to my show. I have provided my complete IRS financial tax returns by my CPA for two years.**

I declare under penalty of perjury that the information contained in this submission is true and correct.

Paul Gray  
Paul Gray

1-12-2017  
Date

Subscribed and sworn before me by Paul Gray this 12<sup>th</sup> day of January, 2017.

Molly Green  
Molly Green, Notary Public

My commission expires 9-29-2020

